		DEPARTMENT	TATE OF UTAH OF NATURAL RES OF OIL, GAS AND N				FORI		
APPLI	CATION FOR	PERMIT TO DRILL	-			1. WELL NAME and	NUMBER DNANZA 9-25-12-20		
2. TYPE OF WORK DRILL NEW WELL	REENTER P	&A WELL TO DEEPE	N WELL			3. FIELD OR WILDO	CAT WILDCAT		
4. TYPE OF WELL							NITIZATION AGRE	EMENT NAME	
6. NAME OF OPERATOR	Enduring Res					7. OPERATOR PHON			
8. ADDRESS OF OPERATOR 475 17th		500, Denver, CO, 80202	2			9. OPERATOR E-MA		com	
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)	,	11. MINERAL OWNE	RSHIP		@	12. SURFACE OWNI	ERSHIP		
ML-45558 13. NAME OF SURFACE OWNER (if box 12	= 'fee')	FEDERAL IND	OIAN (STATE (FEE (FEDERAL INI	DIAN (STATE (~ ~	
15. ADDRESS OF SURFACE OWNER (if box						16. SURFACE OWNI			
<u> </u>		18. INTEND TO COM	IMINGI E PRODUCT	TON	FPOM	19. SLANT			
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')		MULTIPLE FORMATI			NO 📵	_	RECTIONAL (HO	ORIZONTAL (
20. LOCATION OF WELL	FC	OOTAGES	QTR-QTR		SECTION	TOWNSHIP	RANGE	MERIDIAN	
LOCATION AT SURFACE		FNL 472 FWL	SWNW		20	9.0 S	25.0 E	S	
Top of Uppermost Producing Zone	1952 F	FNL 472 FWL	SWNW		20	9.0 S	25.0 E	S	
At Total Depth	1952 F	FNL 472 FWL	SWNW		20	9.0 S	25.0 E	S	
21. COUNTY UINTAH	<u> </u>	22. DISTANCE TO N	EAREST LEASE LIN 472	E (Fe	eet)	23. NUMBER OF ACRES IN DRILLING UNIT			
		25. DISTANCE TO N (Applied For Drilling		AME	POOL	26. PROPOSED DEPTH MD: 6010 TVD: 6010			
27. ELEVATION - GROUND LEVEL 5665		28. BOND NUMBER	RLB0008031			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-222			
		A	TTACHMENTS						
VERIFY THE FOLLOWING	ARE ATTACH	HED IN ACCORCANG	CE WITH THE UT	ГАН	OIL AND G	SAS CONSERVATION	ON GENERAL RU	LES	
✓ WELL PLAT OR MAP PREPARED BY	LICENSED SU	RVEYOR OR ENGINEER	R COM	IPLET	TE DRILLING	PLAN			
AFFIDAVIT OF STATUS OF SURFACE	OWNER AGRI	EEMENT (IF FEE SURF	ACE) FOR	и 5. І	IF OPERATO	R IS OTHER THAN TI	HE LEASE OWNER		
DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY TOPOGRAPHICAL MADERILLED)						•			
NAME Alvin Arlian	тг	TLE Landman-Regulator	у		PHONE 30	3 350-5114			
SIGNATURE DATE 03/17/2009 EMAIL aa						lian@enduringresource	es.com		
API NUMBER ASSIGNED 43047502590000	АР	PPROVAL			Bol	Rejill			
					Perm	it Manager			

API Well No: 43047502590000 Received: 1/12/2009

	Proposed Hole, Casing, and Cement									
String	g Hole Size Casing Size Top (MD) Bottom (MD)									
Cond	20	14	0	40						
Pipe	Grade	Length	Weight							
	Grade J-55 ST&C	40	54.5							

API Well No: 43047502590000 Received: 1/12/2009

	Proposed Hole, Casing, and Cement									
String	Hole Size	ole Size Casing Size Top (MD) Bottom (MD)								
Surf	11	8.625	0	2000						
Pipe	Grade	Length	Weight							
	Grade J-55 ST&C	2000	24.0							

API Well No: 43047502590000 Received: 1/12/2009

	Proposed Hole, Casing, and Cement									
String	Hole Size	Hole Size Casing Size Top (MD) Bottom (MD)								
Prod	7.875	4.5	0	6010						
Pipe	Grade	Length	Weight							
	Grade N-80 LT&C 60		11.6							

Enduring Resources, LLC Bonanza #9-25-12-20 SWNW Sec. 20 T9S-R25E Uintah County, Utah Lease # ML-45558

ONSHORE ORDER 1 - DRILLING PLAN

1. Estimated Tops of Geological Markers:

<u>Formation</u>	Depth (K.B.)
Uinta	Surface
Green River	285'
Wasatch	2,440'
Mesaverde	3,790'
Buck Tongue	5,960'

2. <u>Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals: (5685' estimated KB)</u>

Substance	Formation	Depth (K.B.)
	KB-Uinta Elevation: 5,665'	
Oil / Gas	Green River	285'
Oil /Gas	Wasatch	2,440'
Oil /Gas	Mesaverde	3,790'
	Estimated TD	6,010'

An 11" hole will be drilled to approximately 2000 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

3. Pressure Control Equipment: (3000 psi schematic attached)

- A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2.* A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- B. Pressure Rating: 3,000 psi BOPE
- C. Kelly will be equipped with upper and lower Kelly valves.

Enduring Resources, LLC Bonanza 9-25-12-20

Page No. -2-

D. Testing Procedure: <u>Annular Preventer</u>

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1. When the annular preventer is initially installed;
- 2. Whenever any seal subject to test pressure is broken;
- 3. Following related repairs; and
- 4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1. When the BOP is initially installed;
- 2. Whenever any seal subject to test pressure is broken:
- 3. Following related repairs; and
- 4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

Directional surveys will be dropped every 2000 feet. Maximum allowable angle is 5 degrees.

4. Proposed Casing & Cementing Program:

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (md)
20"	14" O.D.				40'
11"	8-5/8"	24#	J-55	ST&C	0 – 2,000' est
7-7/8"	4-1/2"	11.6#	N-80	LT&C	0 – 6,019'

The surface casing will have guide shoe, 1 jt., insert float collar. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring centralizers on every other collar (8 centralizers total). Thread lock guide shoe.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (md)	Casing 14"	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
2000'	8-5/8", 24#/ft, J55, STC	1370/1.53(a)	2950/3.30(b)	244/5.85(c)
6,010	4-1/2", 11.6#/ft, N- 80, LTC	6350/2.03 (d)	7780/2.70 (e)	223/3.72 (f)

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in 8.6 ppg mud
- (d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in 9.2 ppg mud

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate) - Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	1500	Premium cement, + 16% gel, + 0.25 pps celloflake	136	25%	11.1	3.50
8-5/8"	Tail	500	Premium cement +2% CaC ₂ +0.25 pps celloflake	138	25%	15.8	1.15

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 $\rm ft^3/sx$) cement will be premium cement w/ 3% $\rm CaCl_2$.+0.25 pps celloflake. Volume as required

Surface Casing (if well will not circulate) - Cemented to surface

		FT. of			EXCESS	WEIGHT	YIELD
CASING	SLURRY	FILL	CEMENT TYPE	SXS	(%)	(ppg)	(ft ³ /sx)
8-5/8"	Lead	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	138	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% CaCl ₂ , + 0.25 pps celloflake	As Req.		15.8	1.15

<u>Production Casing and Liner</u> - Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
4-1/2"	Lead	740	Class "G", + 5% NaCl, + 12% Gel, +0.25 pps celloflake, + 0.2% antifoam, +0.25% fluid loss + 1% extender	56	25	11.0	3.91
4-1/2"	Tail	3579	50/50 POZ Class G + 2% gel, +1% CaCl ₂ + 0.2% dispersant, + 0.2% fluid loss, + 0.1% antifoam	790	25	14.1	1.29

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of surface casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. Drilling Fluids (mud) Program:

Interval	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' – 2000'		No cntrl		Air/mist
2000'-3000'	8.4-8.6	No cntrl	28-36	Water
3000'-6010'	8.8-10.2	8 - 10 ml	32-42	Water/Gel

Enduring Resources, LLC Bonanza 9-25-12-20

Page No. <u>- 5 -</u>

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. Evaluation Program:

Tests:

No tests are currently planned.

Coring:

No cores are currently planned.

Samples:

No sampling is currently planned.

Logging

 Dual Induction – SFL /Gamma Ray/Caliper/SP/TDLT/CNL/ML TD to Base Surface Casing

Cement Bond Log / Gamma Ray:
 TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation:

A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 3,130 psi (calculated at 0.52 psi/foot of hole) and maximum anticipated surface pressure equals approximately 1,806 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. <u>Anticipated Starting Dates:</u>

Anticipated Commencement Date- Within one year of APD issue.

Drilling Days-

Approximately 10 days

Completion Days

Approximately 10 days

• Anticipate location construction within 30 days of permit issue.

9. Variances:

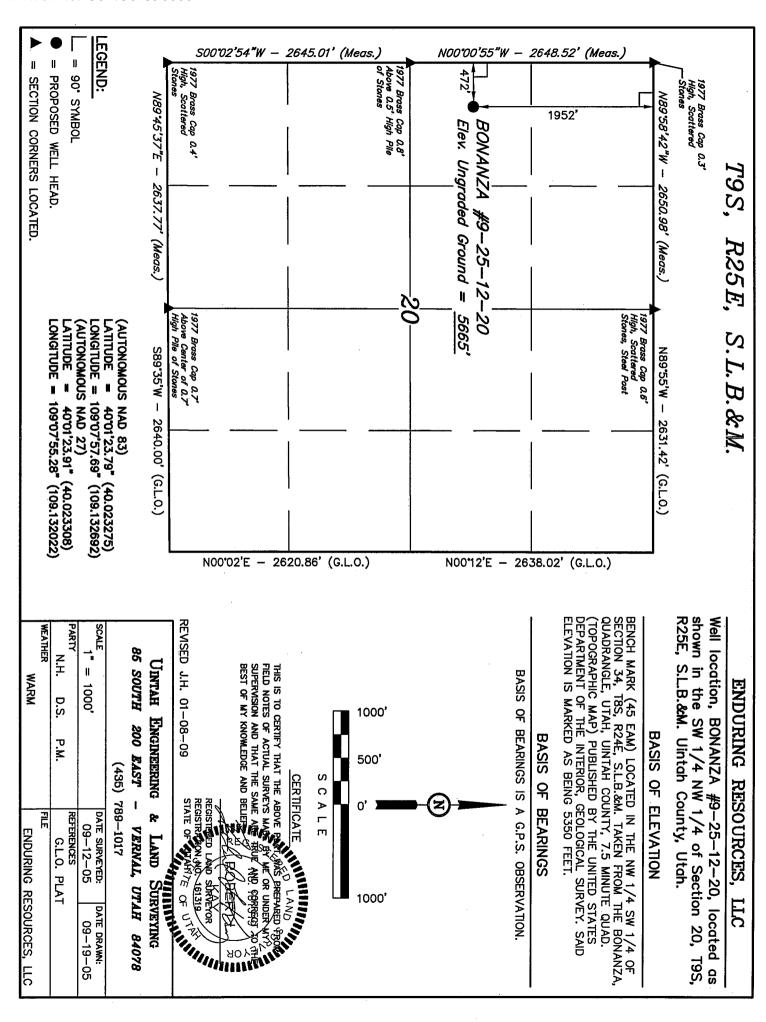
None anticipated

Enduring Resources, LLC Bonanza 9-25-12-20

Page No. -6-

10. Other:

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.



ENDURING RESOURCES, LLC

BONANZA #9-25-12-20

LOCATED IN UINTAH COUNTY, UTAH SECTION 20, T9S, R25E, S.L.B.&M.

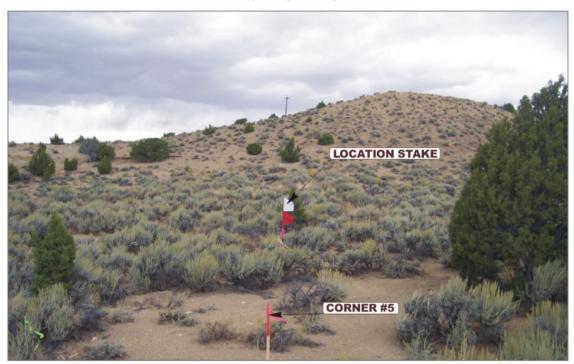


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



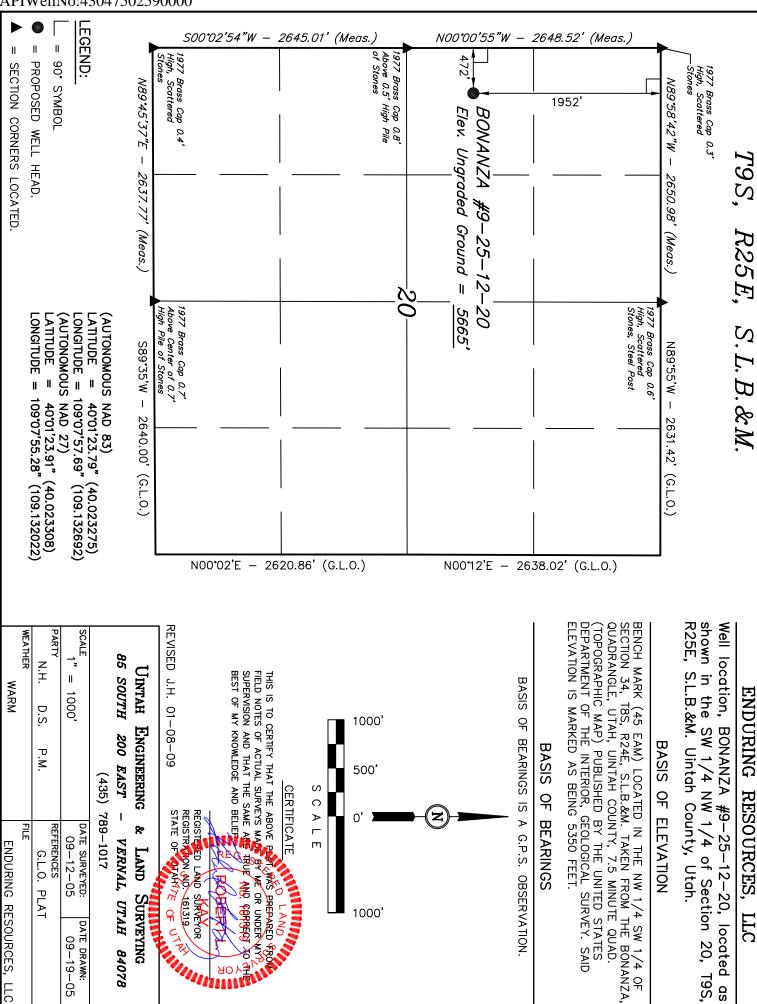
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY

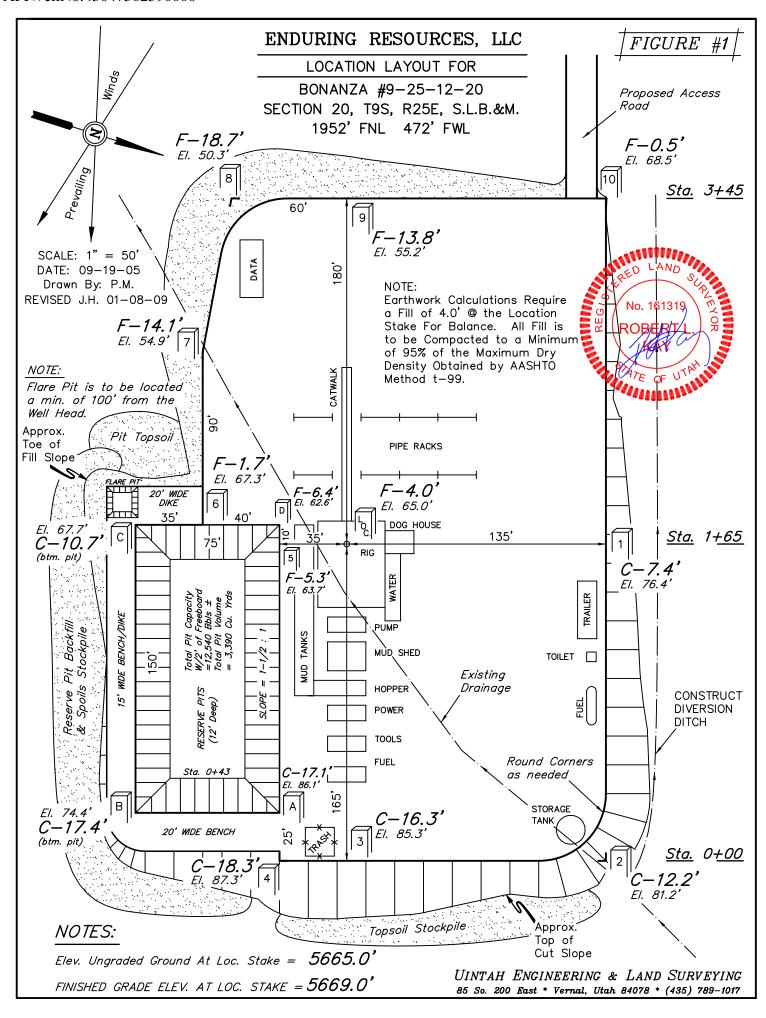


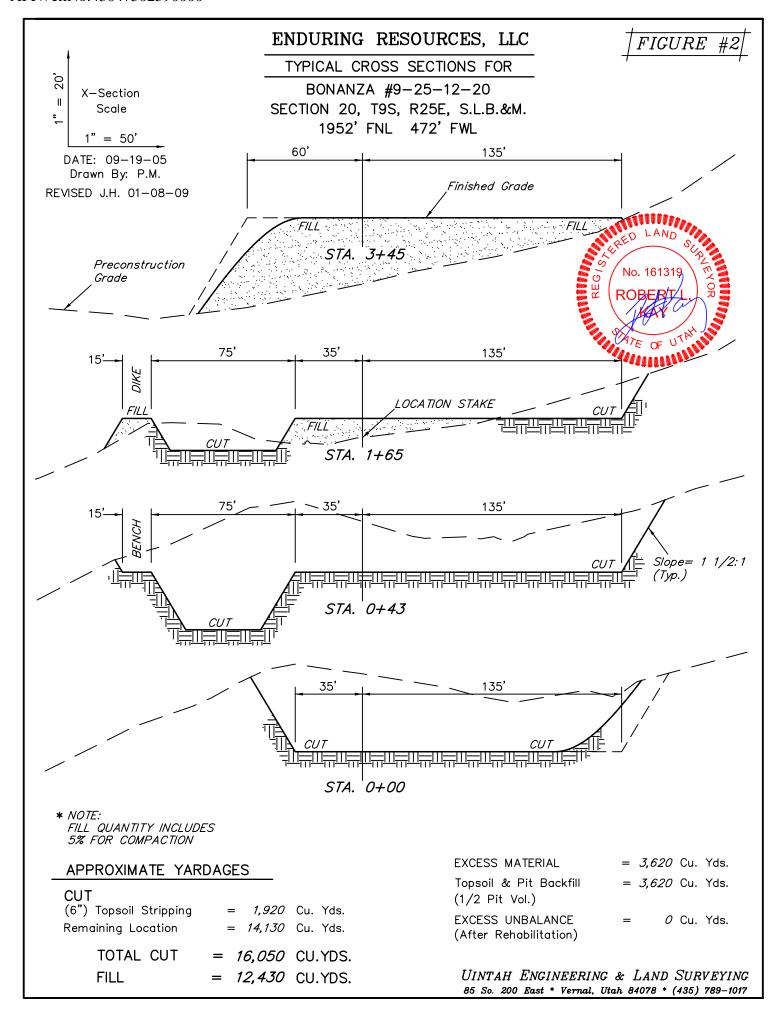
LOCATION PHOTOS		09 MONTH	13 DAY	05 YEAR	РНОТО
TAKEN BY: N.H.	DRAWN BY: C.P	. REV	7: J.H. 0	1-08-09	

FC



T9S,

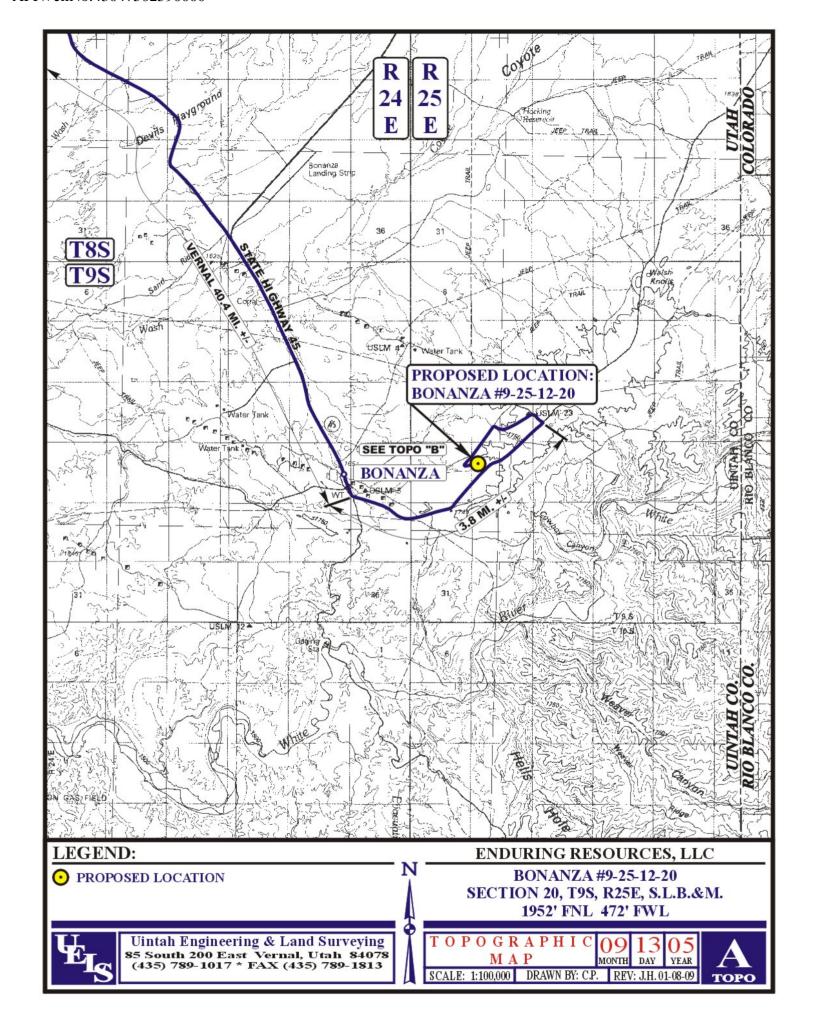


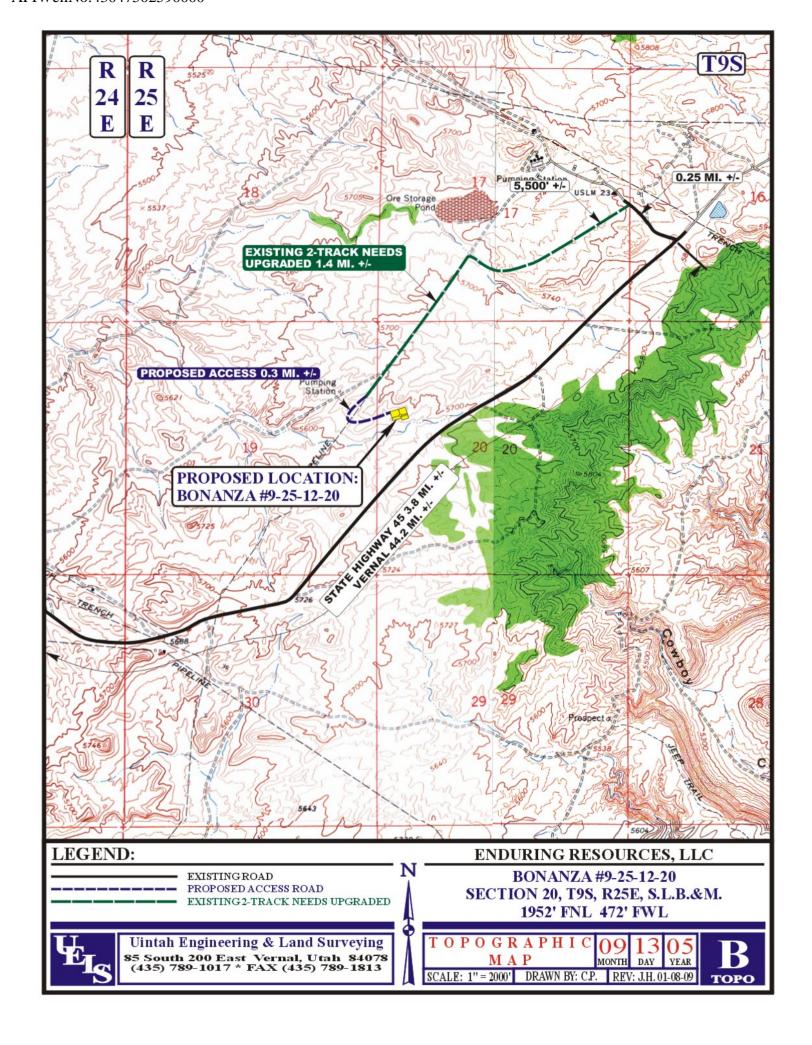


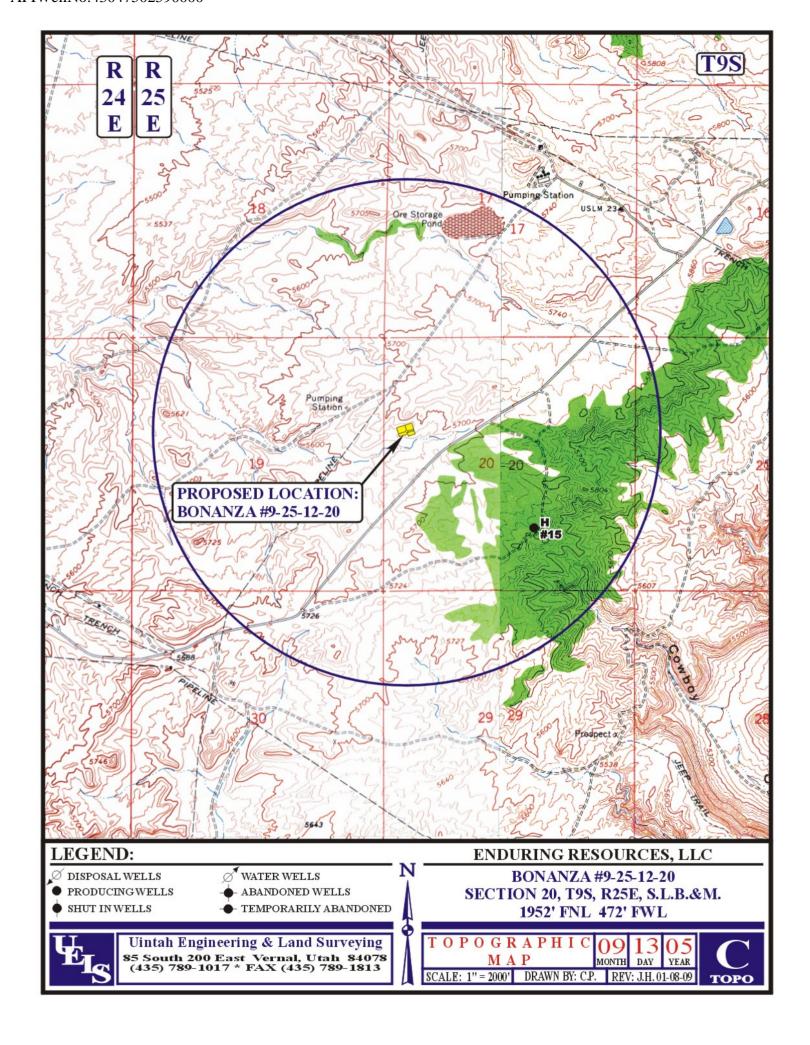
ENDURING RESOURCES, LLC BONANZA #9-25-12-20 SECTION 20, T9S, R25E, S.L.B.&M.

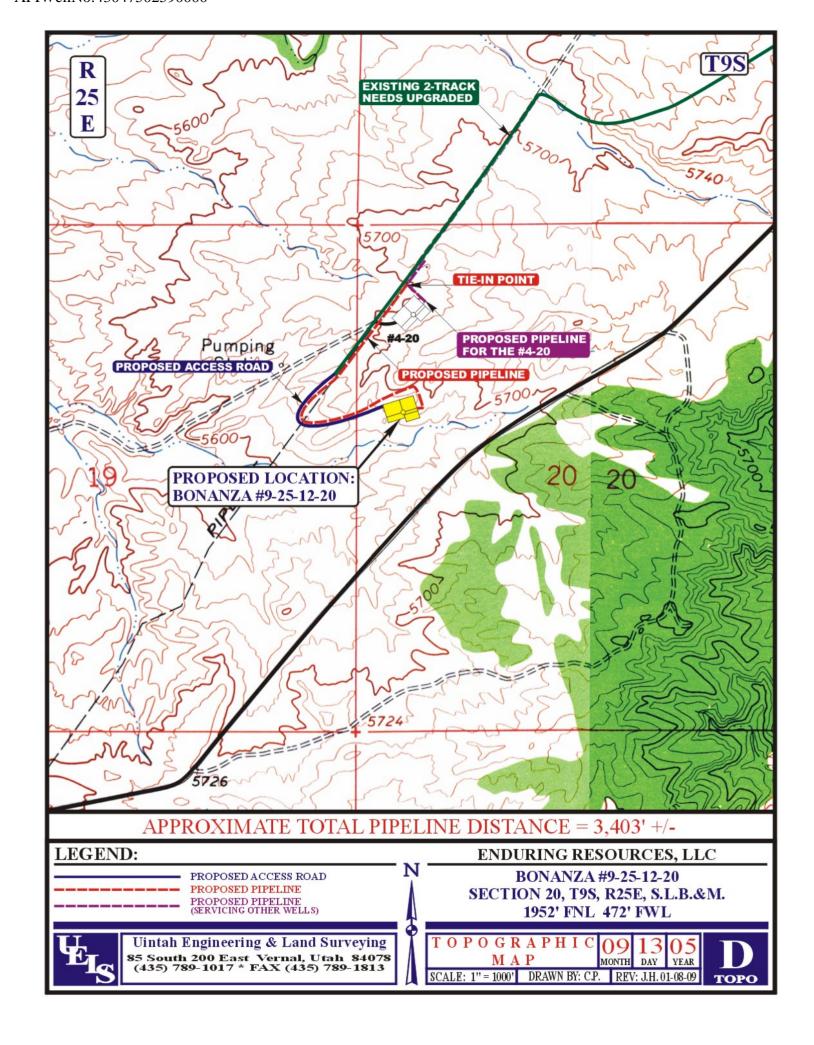
PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 36.5 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING TWO-TRACK ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATLEY 1.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 46.15 MILES.









CHECK REQUEST

ENDURING RESOURCES LLC

		Computer Check
х	Х	Manual Check
	4.7	Wire Transfer

	wire transfer	
VENDOR/OWNER #:	DATE REQUESTED: 1/14/2008	
CHECK PAYABLE TO: Bureau of Land Management	DATE NEEDED BY: As soon as possible	
MAILING ADDRESS: 170 South 500 East	INVOICE DATE BY:	
Vernal, Utah 84078	INVOICE #:	
	AMOUNT: \$379.00	
TAXPAYER ID OR SS :		
CHECK/COMMENTS:	Bonanza 9-25-12-20 Well	
Road r-o-w ap	oplication UTU-82742	
DESCRIPTION TO BE TYPED ON CHECK STUB:		
		_
		_
CODING (All Applicable Data Must Be Filled In)		
CODING (All Applicable Data Must Be Filled In) Property Name: UTU-70875	Property Number:	
	Property Number: Lease Number	
Property Name: UTU-70875	Lease Number	
Property Name: UTU-70875 GL Account #: AFE#: Prospect Name & Code:	Lease Number	
Property Name: UTU-70875 GL Account #: AFE#:	Lease Number	
Property Name: UTU-70875 GL Account #: AFE#: Prospect Name & Code:	Lease Number	
Property Name: UTU-70875 GL Account #: AFE#: Prospect Name & Code: ROUTING INSTRUCTIONS	Lease Number	
Property Name: UTU-70875 GL Account #: AFE#: Prospect Name & Code: ROUTING INSTRUCTIONS WIRE TRANSFER	Lease Number	

INSTRUCTIONS:

Use this form for paying 1) items not handled by Accounts Payable in the normal course of business, i.e. no supporting detail, or 2) for items of an urgent nature. Computer checks are run every Monday (Holidays and special circumstances excluded); therefore requests should be received by **Friday 12:00 Noon**. Manual checks are for urgent business only. Requests for manual checks should be delivered to Accounting at least 24 hours in advance.

- 1. Please complete as much information as possible. Insufficient information may delay the processing of your check. Please make sure to include the individual's or company's tax I.D. number if known.
- 3. Please route all check request forms to accounting.

Important Notice!!

If you are not the intended recipient of this e-mail message, any use, distribution or copying of the message is prohibited. Please let me know immediately by return e-mail if you have received this message by mistake, then delete the e-mail message.

Thank you.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office 170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410



IN REPLY REFER TO: 2800 -- -- UTU-82742 UT-083

Certified Mail Return Receipt Requested 7005 1820 0002 6515 9878

DEC 0 9 2008

DECISION

Enduring Resources LLC.

Attn: Al Arlian

475 17th Street, Suite 1500

Denver, Colorado 80202

Right-of-Way Application

UTU-82742

<u>Application Received</u> <u>Processing Category Determined</u>

On November 10, 2005, your agent, Don Hamilton, of Buys and Associates, filed a right-of-way (R/W) grant application for an access road to State wells Bonanza 5-20-9-25 and 13-20-9-25, ML-45560. Your application has been assigned serial number UTU-82742. In future correspondence with this office, we ask that you refer to this serial number. The proposed access road to Bonanza 13-20-9-25 will not require a right-of-way from the Bureau of Land Management (BLM) as this access is located entirely on lands that are not under the jurisdiction of the BLM. Enduring will need to obtain the necessary authorization from the State of Utah and/or private landowner located in Sections 19 (9-25-12-20) SE¹/₄, 20, and 30. However, the proposed access road for the Bonanza 5-20-9-25, will need a right-of-way for the portion of the road within the following legal description:

T. 9 S., R. 25 E., SLM, Utah Sec. 19, SE¹/₄NE¹/₄.

In accordance with 43 CFR 2804.14, a R/W applicant is required to reimburse the United States in advance for the administrative costs incurred in processing a right-of-way application. It has been determined that your application falls under Category 2. Under this category, you are required to pay a non-refundable processing fee in the amount of \$379.00 before we can take any further action on your application. If we do not receive this amount within 30 days, we may reject your application.

We will begin processing your right-of-way application once we have received your processing fee.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition (request) pursuant to regulation 43 CFR 2801.10 or 43 CFR 2881.10 for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- (1) The relative harm to the parties if the stay is granted or denied,
- (2) The likelihood of the appellant's success on the merits,
- (3) The likelihood of immediate and irreparable harm if the stay is not granted, and
- (4) Whether the public interest favors granting the stay.

If you have any questions regarding your right-of-way application or the fees connected with it, please contact Cindy McKee at (435) 781-4434.

AFM, Lands & Minerals

Enclosures

Form 1842-1 Information on Taking Appeals to the Board of Land Appeals Processing Category Determination

ROW Processing Fee Category Determination Decision For FLPMA and MLA Rights-of-Way

Application Serial Number:UTU-82742
Applicant: Enduring Resources LLC
Agent: Al Arlian
Application For: Access road to state well Bonanza 5-20-9-25, ML-45560
-
••
· -
Land Use Plan Conformance?No _XYes
Estimated Processing Requirements:
Type of ROW:X FLPMA MLA
NEPA Action Required: EIS _X_ EADNACE/CX
•
Personnel Needed for Processing Estimated Processing Hours
Realty Specialist/Land Law Examiner10
Cultural/Paleontological Resources1
T&E Species1
Wildlife/Fisheries1
Air/Water/Soils 1
Recreation/Visual 1
Range
Fluids/Minerals
Administration/Contracting1
Manager1
Nepa Cooridinator 1
Legal Instruments Examiner
Administration
TOTAL HOURS 18
The appropriate Processing Category for this application is Category_2 The Processing fee for
this Category is \$379.00. Processing fees for Categories 1-4 are non-refundable. See enclosed table for Category definitions and fee schedule.
Tot Category definitions and fee schedule.
Prepared By:Cindy McKee 1-8-2008
Realty Specialist Date
Realty Specialist
Approved By: 1-9-2008
Approved By: 1-9-2008 Date
Male Date

2008 Processing Fee Schedule for FLPMA and MLA Rights-of-Way

Processing Category	Federal Work Hours Involved	Processing fee per application as of January 1, 2008. To be adjusted annually for changes in the IPD-GDP.
1. Applications for new grants, assignments, renewals, and amendments to existing grants.	Estimated Federal work hours are $>1 \le 8$.	\$107
2. Applications for new grants, assignments, renewals, and amendments to existing grants.	Estimated Federal work hours are $> 8 \le 24$.	\$379
3. Applications for new grants, assignments, renewals, and amendments to existing grants.	Estimated Federal work hours are > 24 ≤ 36.	\$712
4. Applications for new grants, assignments, renewals, and amendments to existing grants.	Estimated Federal work hours are $> 36 \le 50$.	\$1,021
5. Master agreements.	Varies.	As specified in the agreement.
6. Applications for new grants, assignments, renewals, and amendments to existing grants.	Estimated Federal work hours are > 50.	Full reasonable costs (FLPMA) Full actual costs (MLA)

Appeal Information

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition (request) pursuant to regulation 43 CFR 2801.10 or 43 CFR 2881.10 for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- (1) The relative harm to the parties if the stay is granted or denied,
- (2) The likelihood of the appellant's success on the merits,
- (3) The likelihood of immediate and irreparable harm if the stay is not granted, and
- (4) Whether the public interest favors granting the stay.

Enclosure BLM Form 1842-1 Enduring Resources, LLC. 475 17TH STREET, SUITE 1500 DENVER, CO 80202 PH. 303-573-1222

VENDOR NAME			VENDOR NO.	CHECK DATE	CHECK NUMBER	CHECK AMOUNT
BUREAU OF LAND MANA	GEMENT		1238 Jan-15-2008 17341		\$379.00	
VOUCHER	VENDOR INV #	INV DATE	TOTAL	PRIOR PMTS		NET
	179000V 8C 29 1 W2 2 COL2		AMOUNT	& DISC	COUNTS	AMOUNT
01-AP-494	CKRQT011408	01/14/08	379.00	C	0.00	379.00
TOTAL INVO	ICES PAID					379.00

PAYEE: DETACH AND RETAIN FOR TAX PURPOSES

Enduring Resources, LLC. 475 17TH STREET, SUITE 1500 DENVER, CO 80202 PH. 303-573-1222

THREE HUNDRED SEVENTY-NINE DOLLARS AND NO CENTS

BUREAU OF LAND MANAGEMENT 170 SOUTH 500 EAST VERNAL, UT 84078

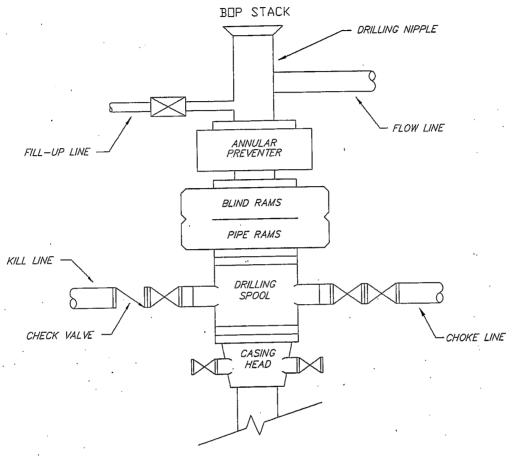
TO THE ORDER OF

17341

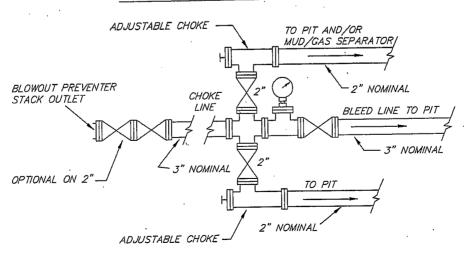
CHECK NUMBER PAY EXACTLY \$379.00 Jan-15-2008

ENDURING RESOURCES, LLC

TYPICAL 3,000 p.s.i.
BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



CULTURAL RESOURCE INVENTORY OF ENDURING RESOURCES' PROPOSED BONANZA WELLS 5-20-9-25, 13-20-9-25, 5-30-9-25, 6-30-9-25, 11-30-9-25, & 12-30-9-25) UINTAH COUNTY, UTAH

By:

Kylie Lower-Eskelson

Prepared For:

Bureau of Land Management
Vernal Field Office
&
State of Utah
School and Trust Lands Administration

Prepared Under Contract With:

Enduring Resources LLC Denver, Colorado

Prepared By:

Montgomery Archaeological Consultants, Inc. P.O. Box 147 Moab, Utah 84532

31 October, 2005

MOAC Report No. 05-463

United States Department of Interior (FLPMA)
Permit No. 05-UT-60122

State of Utah Antiquities Project (Survey) Permit No. U-05-MQ-1241b,p,s

INTRODUCTION

In October of 2005, a cultural resource inventory was conducted by Montgomery Archaeological Consultants, Inc. (MOAC) of Enduring Resources' six proposed Bonanza well locations (5-20-9-25, 13-20-9-25, 5-30-9-25, 6-30-9-25, 11-30-9-25 and 12-30-9-25) with associated access/pipeline corridors. The project area is located about a mile west of Bonanza in Uintah County, Utah. The survey was implemented at the request of Mr. Al Arlian, Enduring Resources, LLC, Denver, Colorado. A total of 134 acres was inventoried of which 113 acres occur on State of Utah School and Trust Lands Administration Lands (SITLA), 7 acres on lands administered by the Bureau of Land Management (BLM), Vernal Field Office and 14 acres on private land.

The objectives of the inventory were to locate, document, and evaluate any cultural resources within the project area in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventories were implemented to attain compliance with a number of federal and state mandates, including the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978 (AIRFA), and Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed on October 18 and 19, 2005, by Keith Montgomery and Mark Beeson under the auspices of U.S.D.I. (FLPMA) Permit No. 05-UT-60122 and State of Utah Antiquities Permit (Survey) No. U-05-MQ-1241b,p,s issued to MOAC of Moab, Utah.

Prior to the fieldwork, a file search for previous cultural resource inventories and archaeological sites was conducted by Keith Montgomery at the BLM Vernal Field Office (October 17, 2005). This consultation indicated that a several inventories have been undertaken near the current project area.

Woodward-Clyde Consultants conducted a survey in 1980 for MAPCO's proposed pipeline. The inventory resulted in locating 119 isolated finds, 13 prehistoric sites, and one previously recorded site, however, none of the sites occur in the present project area (Woodward-Clyde, 1980).

In 1981, Nickens and Associates completed the Seep Ridge Sample Survey in which numerous sites where found throughout the area, although none of these are situated in the current project area (Larralde and Chandler 1981).

In 1992, Metcalf Archaeological Consultants, Inc. conducted a survey for a Questar Gas Mangament's pipeline (Pennefather-O'Brien, Lubinski, and Metcalf, 1992). A total of 149 sites were located on this project, all outside of the present inventory area.

Questar proposed a new pipeline running 25 ft from the existing Questar pipeline in 1997, which was inventoried by JBR Environmental Consultants Inc. (Mahoney and Billat 1997). The two pipelines are located north of proposed wells Red Wash 9-24-23-30 and 9-24-24-30. Two sites and three isolated finds were located and are not situated in the current project area.

In 2002 TRC Mariah Associates Inc. completed a seismic project through T9S R24E, Section 30, resulting in no cultural resources (Craven and Highland, 2002).

In 2004, Sagebrush Consultants (Sage) inspected Southman Canyon wells #4-30 and 14-30 which resulted in the documentation of 42Un4500 located outside of the current inventory area (Polk, 2004). Again in 2004, Sage surveyed the Southman Canyon natural gas trunkline for Rocky Mountain Consulting Inc. (Polk and Garrison, 2004). The Little Emma Mine was documented (42Un4371-eligible) and occurs near proposed Red Wash 9-24-34-30. In August 2004, Sage surveyed well pads #4-20, #4-36, and #6-36 and found no cultural resources (Polk 2004). During the same year Sage inventoried several wells in T9S R24E, Sec. 30 and located site 42Un4526, which is not located within the current project area (Weymouth, 2004). Also in 2004 Montogmery Archaeological Consultants (MOAC) conducted a survey of various pipelines in the area for Enduring Resources resulting in the documentation of two sites (42Un4786 and 42Un4784) neither of which occur within the current project area (Seacat and Montgomery 2005).

In 2005 MOAC conducted a cultural resource inventory of seven proposed well locations for Enduring Resources. The inventory resulted in the documentation of two sites (42Un4830 and 42Un4831), a cache of tipi poles and a rock art panel respectively. Neither of these sites occur within the current project area (Freudenburg and Seacat 2005). In the same year Sagebrush Archaeological Consultants, L.L.C. conducted an inventory of 11 Bonanza wells for Houston Exploration which resulted in the documentation of a historic trash dump, site 42Un4888. This site occurs near but not within the current project area (Pagano 2005).

In summary although several inventories have been undertaken within the general area of this project, no sites have been documented within the current project area.

DESCRIPTION OF PROJECT AREA

The project area is located about a mile west of Bonanza, in Township 9 South, Range 25 East Sections 17, 19, 20 and 30 Uintah County, Utah.

Table 1: Enduring Resources Proposed Well Location with Cultural Resources.

Well Location Designation	Legal Location	Access/Pipeline	Cultural Resources
Bonanza #5-20-9-25 SITLA	SW/NW Sec. 20, T9S R25E	Access: 1548 ft. Road Upgrade: 7392 ft. Pipeline: 3403 ft.	None
Bonanza #13-20-9-25 SITLA	SW/SW Sec. 20, T9S R25E	Access: 528 ft. Road Upgrade: 2376 ft. Pipeline: 1412 ft.	IF-A
Bonanza #5-30-9-25 SITLA	SW/NW Sec. 30, T9S R25E	Access: 528 ft. Pipeline: 700 ft.	None
Bonanza #6-30-9-25 SITLA	SE/NW Sec. 30, T9S R25E	Access: 1848 ft. Pipeline: 1981 ft.	None
Bonanza #11-30-9-25 SITLA	NE/SW Sec. 30, T9S R25E	Access: 80 ft. Road Reroute: 150 ft. Pipeline: 1150 ft.	None
Bonanza #12-30-9-25 SITLA	NW/SW Sec. 30, T9S R25E	Access: 1320 ft. Pipeline: 1758 ft.	None

Environment

The study area lies within the Uinta Basin physiographic unit, a distinctly bowl-shaped geologic structure (Stokes 1986:231). The Uinta Basin ecosystem is within the Green River drainage, considered to be the northernmost extension of the Colorado Plateau. The geology is comprised of Tertiary age deposits which include Paleocene age deposits, and Eocene age fluvial and lacustrine sedimentary rocks. The Uinta Formation, which is predominate in the project area, occurs as eroded outcrops formed by fluvial deposited, stream laid interbedded sandstone and mudstone, and is known for its prolific paleontological localities.

Specifically, the project area occurs west of Bonanza the valley floors which are interspersed by flat topped buttes and narrow steep-sided ridges. The area is heavily dissected and carved by ephemeral drainages. Surface geology consists of hard pan residual soil armored with shale and sandstone pebbles. The elevation ranges between 5600 ft and 5720 ft a.s.l. The project occurs within the Upper Sonoran Desert Shrub Association which includes sagebrush, shadscale, greasewood, mat saltbush, snakeweed, rabbitbrush, prickly pear cactus, Indian ricegrass, and other grasses. Modern disturbances include roads and oil/gas development.

SURVEY METHODOLOGY

An intensive pedestrian survey was performed for this project which is considered 100% coverage. At the proposed well locations, a 10 acre square was defined, centered on the well pad center stake. The location was inspected by walking parallel transects spaced no more than ten meters (30 ft) apart. The access and pipeline corridors were surveyed to a width of 60 meters (200 ft) and examined by the archaeologist. A total of 134 acres was inventoried on public lands with 113 acres on State of Utah School and Trust Lands Administration Lands (SITLA) 7 acres on lands administered by the Bureau of Land Management (BLM), Vernal Field Office and 14 acres on private land.

ISOLATED FIND OF ARTIFACT

This inventory of Enduring Resources six proposed Bonanza wells resulted in the location of one isolated find of artifact.

IF-A consists of one soldered seam commodity can and one brown glass "Clorox" bottle (1929-1962) located in the SE/SW/SW of Sec. 20 T9S R25E at UTM 659537E/4430934N within the survey area of well location #13-20-9-25.

RESULTS AND RECOMMENDATIONS

The inventory of Enduring Resources' six proposed Bonanza wells (5-20-9-25, 13-20-9-25, 5-30-9-25, 6-30-9-25, 11-30-9-25 and 12-30-9-25) with associated access and pipeline corridors in Township 9 South, Range 25 East Sections 17, 19, 20 and 30 resulted in the location of one isolated find of artifact. Based on these findings, a determination of "no historic properties affected" pursuant to Section 106, CFR 800 is proposed for this project.

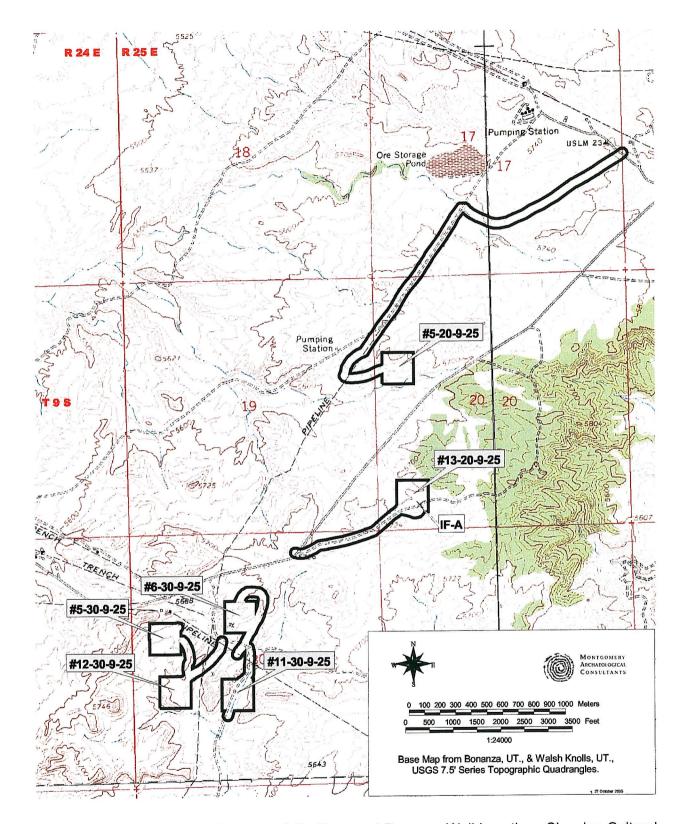


Figure 1. Map of Enduring Resources' Six Proposed Bonanza Well Locations Showing Cultural Resources.

REFERENCES CITED

Craven, C.D. and S.A. Highland

2002

A Class III Cultural Resource Inventory for the Uinta 2-D Seismic Project Lines 8,9, and 10, Uintah County, Utah. TRC Mariah Associates Inc. Salt Lake City, Utah. Report # U-02-ME-0207b,p,s.

Freudenburg, K. and T. Seacat

2005

Cultural Resource Inventory of Enduring Resources Seven Proposed Well Locations, Access and Pipelines in T9S R24E, Sections 22, 23, 27, 30, 34, 36 and T10S R25E, Section 6 in Uintah County, Utah. Report No. U-05-MQ-0615b,p,s.

Larralde, S.L. and S.M. Chandler

1981

Archaeological Inventory in the Seep Ridge Cultural Study Tract, Uintah County, Northeastern Utah. Nickens and Associates. Montrose, Colorado. Report No. U-81-NH-0590b.

Mahoney, J.P. and S.E. Billat

1997

Cultural Resource Inventory of 17 Miles of the Questar Main Line 43 Pipeline Replacement, Near Bonanza Uintah County, Utah. JBR Environmental Consultants Inc. Springville, Ut. Report # U-97-JB-0543 b,i,s.Pennefather-O'Brien, E., Patrick Lubinski, and Michael D. Metcalf

1992

Colorado Interstate Gas Company Uinta Basin Lateral 20" Pipeline: Class III Cultural Resource Final Report Utah, Colorado Wyoming. Metcalf Archaeological Consultants, Inc. Eagle, Colorado. Report # U-92-MM-154 b,i,p,s.

Pagano, S.C.

2005

A Cultural Resource Inventory of Houston Exploration Bonanza Wells #5-22, #6-22, #10-22, #11-22, #13-22, #14-22, #15-22, #16-22, #12-23, #14-23, and #5-24, Uintah County, Utah.

Polk, M.R.

2004a

Cultural Resource Inventory for Proposed Southman Canyon Wells #4-30 and #14-30. Sagebrush Consultants, L.L.C. Ogden, Utah. Sagebrush Report No. 1360.

2004b

A Cultural Resource Inventory of Houston Exploration Bonanza Wells #4-20, #4-36, and #6-36, Uintah County, Utah. Sagebrush Consultants, L.L.C. Ogden, Utah. Report # U-04-SJ-0720b,s.

Polk, M.R. and A.L. Garrison

2004

A Cultural Resource Inventory of the Southman Canyon Natural Gas Trunkline, Uintah County, Utah. Sagebrush Consultants, L.L.C. Ogden, Utah. Report # U-04-SJ00540 s,b,p.

Seacat, T. and K. Montgomery

2005

Archaeological Survey of Various Pipelines for Enduring Resources Proposed Well Locations. Addendum to: Cultural Resource Inventory of Enduring Resources' Eight Proposed Wells in T 9 S, R 24 E, Near Bonanza, Uintah County, Utah. Report No. U-05-MQ-0344b,p.

Stokes, W.L.

1986

Geology of Utah. Utah Museum of Natural History and Utah Geological and Mineral Survey, Salt Lake City.

Woodward-Clyde

1980

Cutlural Resource Inventory MAPCO's Rocky Mountain Liquid Hydrocarbons Pipeline, Utah. Woodward-Clyde Consultants. San Francisco, CA. Report # U-80-WG-299 b,f,n,p,s.

Weymouth, H.M.

2004

A Cultural Resource Inventory of Houston Exploration Southman Canyon Wells #6-6, #8-6, #8-30, #9-30, and #13-30, Uintah County, Utah. Sagebrush Consultants, L.L.C. Ogden, Utah. Report # U-04-SJ-830b

Paleontological Reconnaissance Survey Report

Survey of Enduring's Proposed Access Road Upgrade for "Bonanza #5-20-9-25" (Sec. 17 & 20, T 9 S, R 25 E)

Bonanza Topographic Quadrangle Uintah County, Utah

September 24, 2008

Prepared by Stephen D. Sandau Paleontologist for Intermountain Paleo-Consulting P. O. Box 1125 Vernal, Utah 84078

INTRODUCTION

At the request of Al Arlian of Enduring Resources and authorized by James Kirkland of the Office of the State Paleontologist, a paleontological reconnaissance survey of Enduring's proposed access road upgrade for "Bonanza #5-20-9-25" (Sec. 17 & 20, T 9 S, R 25 E) was conducted by Stephen Sandau and Carisa Bomberger on September 24, 2008. The survey was conducted under Utah Paleontological Investigations Permit #07-356. This survey to collect any paleontological materials discovered during the construction processes in danger of damage or destruction was done to meet requirements of the National Environmental Policy Act of 1969, and other State and Federal laws and regulations that protect paleontological resources.

FEDERAL AND STATE REQUIREMENTS

As mandated by the State of Utah, paleontologically-sensitive geologic formations on State lands that may be impacted due to ground disturbance require paleontological evaluation. This requirement complies with:

- 1) The National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321.et. Seq., P.L. 91-190);
- 2) The Federal Land Policy and Management Act (FLPMA) of 1976 (90 Stat. 2743, 43 U.S.C. § 1701-1785, et. Seq., P.L. 94-579).
- 3) The National Historic Preservation Act.16 U.S.C. § 470-1, P.L. 102-575 in conjunction with 42 U.S.C. § 5320; and
- 4) The Utah Geological Survey. S. C. A.: 63-73-1. (1-21) and U.C.A.: 53B-17-603.

The new Potential Fossil Yield Classification (PFYC) System (October, 2007) replaces the Condition Classification System from Handbook H-8270-1. Geologic units are classified based on the relative abundance of vertebrate fossils or scientifically significant invertebrate or plant fossils and their sensitivity to adverse impacts, with a higher class number indicating a higher potential.

- *Class 1* **Very Low**. Geologic units (igneous, metamorphic, or Precambrian) not likely to contain recognizable fossil remains.
- Class 2 Low. Sedimentary geologic units not likely to contain vertebrate fossils or scientifically significant non-vertebrate fossils. (Including modern eolian, fluvial, and colluvial deposits etc...)
- Class 3 Moderate or Unknown. Fossiliferous sedimentary geologic units where fossil content varies in significance, abundance, and predictable occurrence; or sedimentary units of unknown fossil potential.
 - o *Class 3a* **Moderate Potential.** The potential for a project to be sited on or impact a significant fossil locality is low, but is somewhat higher for common fossils.
 - Class 3b Unknown Potential. Units exhibit geologic features and
 preservational conditions that suggest significant fossils could be present, but
 little information about the paleontological resources of the unit or the area is
 known.

- Class 4 High. Geologic units containing a high occurrence of vertebrate fossils or scientifically significant invertebrate or plant fossils, but may vary in abundance and predictability.
 - o *Class 4a* Outcrop areas with high potential are extensive (greater than two acres) and paleontological resources may be susceptible to adverse impacts from surface disturbing actions.
 - o *Class 4b* Areas underlain by geologic units with high potential but have lowered risks of disturbance due to moderating circumstances such as a protective layer of soil or alluvial material; or outcrop areas are smaller than two contiguous acres.
- Class 5 Very High. Highly fossiliferous geologic units that consistently and predictably produce vertebrate fossils or scientifically significant invertebrate or plant fossils.
 - o *Class 5a* Outcrop areas with very high potential are extensive (greater than two acres) and paleontological resources may be susceptible to adverse impacts from surface disturbing actions.
 - Class 5b Areas underlain by geologic units with very high potential but have lowered risks of disturbance due to moderating circumstances such as a protective layer of soil or alluvial material; or outcrop areas are smaller than two contiguous acres.

It should be noted that many fossils, though common and unimpressive in and of themselves, can be important paleo-environmental, depositional, and chronostratigraphic indicators.

LOCATION

Enduring's proposed access road upgrade for "Bonanza #5-20-9-25" (Sec.17 & 20, T 9 S, R 25 E) is located on lands managed by the State of Utah Trust Lands Administration (SITLA) approximately 2.25 miles northeast of Bonanza, Utah. The project area can be found on the Bonanza 7.5 minute U. S. Geological Survey Quadrangle Map, Uintah County, Utah.

PREVIOUS WORK

The basins of western North America have long produced some of the richest fossil collections in the world. Early Cenozoic sediments are especially well represented throughout the western interior. Paleontologists started field work in Utah's Uinta Basin as early as 1870 (Betts, 1871; Marsh, 1871, 1875a, 1875b). The Uinta Basin is located in the northeastern corner of Utah and covers approximately 31,000 sq. km (12,000 sq. miles) ranging in elevation from 1,465 to 2,130 m (4,800 to 7,000 ft) (Marsell, 1964; Hamblin et al., 1987). Middle to late Eocene time marked a period of dramatic change in the climate, flora, (Stucky, 1992) and fauna (Black and Dawson, 1966) of North America.

GEOLOGICAL AND PALEONTOLOGICAL OVERVIEW

Early in the geologic history of Utah, some 1,000 to 600 Ma, an east-west trending basin developed creating accommodation for 25,000 feet of siliclastics. Uplift of that filled-basin during the early Cenozoic formed the Uinta Mountains (Rasmussen et al., 1999). With the rise of the Uinta Mountains the asymmetrical synclinal Uinta Basin is thought to have formed through the effects of down warping in connection with the uplift. Throughout the Paleozoic and Mesozoic deposition fluctuated between marine and non-marine environments laying down a thick succession of sediments in the area now occupied by the Uinta Basin. Portions of these beds crop out on the margins of the basin due to tectonic events during the late Mesozoic.

Early Tertiary Uinta Basin sediments were deposited in alternating lacustrine and fluvial environments. Large shallow lakes periodically covered most of the basin and surrounding areas during early to mid Eocene time (Abbott, 1957). These lacustrine sediments show up in the western part of the basin, dipping 2-3 degrees to the northeast and are lost in the subsurface on the east side. The increase of cross-bedded, coarse-grained sandstone and conglomerates preserved in paleo-channels indicates a transition to a fluvial environment toward the end of the epoch.

Four Eocene formations are recognized in the Uinta Basin: the Wasatch, Green River, Uinta and Duchesne River, respectively (Wood, 1941). The Uinta Formation is subdivided into two lithostratigraphic units namely: the Wagonhound Member (Wood, 1934), formerly known as Uinta A and B (Osborn, 1895, 1929) and the Myton Member previously regarded as the Uinta C.

Within the Uinta Basin in northeast Utah, the Uinta Formation in the western part of the basin is composed primarily of lacustrine sediments inter-fingering with over-bank deposits of silt and mudstone and westward flowing channel sands and fluvial clays, muds, and sands in the east (Bryant et al, 1990; Ryder et al, 1976). Stratigraphic work done by early geologists and paleontologists within the Uinta Formation focused on the definition of rock units and attempted to define a distinction between early and late Uintan faunas (Riggs, 1912; Peterson and Kay, 1931; Kay 1934). More recent work focused on magnetostratigraphy, radioscopic chronology, and continental biostratigraphy (Flynn, 1986; Prothero, 1996). Well-known for its fossiliferous nature and distinctive mammalian fauna of mid-Eocene Age, the Uinta Formation is the type formation for the Uintan Land Mammal Age (Wood et al, 1941).

The Duchesne River Formation of the Uinta Basin in northeastern Utah is composed of a succession of fluvial and flood plain deposits composed of mud, silt and sandstone. The source area for these late Eocene deposits is from the Uinta Mountains indicated by paleocurrent data (Anderson and Picard, 1972). In Peterson's (1931c) paper, the name "Duchesne Formation" was applied to the formation and it was later changed to the "Duchesne River Formation" by Kay (1934). The formation is divided up into four members: the Brennan Basin, Dry Gulch Creek, LaPoint, and Starr Flat (Anderson and Picard, 1972). Debates concerning the Duchesne River Formation, as to whether its age was late Eocene or early Oligocene, have surfaced throughout the literature of the last century (Wood et al., 1941; Scott 1945). Recent paleomagnetostratigraphic work (Prothero, 1996) shows that the Duchesne River Formation is late Eocene in time.

FIELD METHODS

In order to determine if the proposed project area contained any paleontological resources, a reconnaissance survey was performed. An on-site observation of the proposed areas undergoing surficial disturbance is necessary because judgments made from topographic maps alone are often unreliable. Areas of low relief have potential to be erosional surfaces with the possibility of bearing fossil materials rather than surfaces covered by unconsolidated sediment or soils.

When found within the proposed construction areas, outcrops and erosional surfaces were checked to determine if fossils were present and to assess needs. Careful effort is made during surveys to identify and evaluate significant fossil materials or fossil horizons when they are found. Microvertebrates, although rare, are occasionally found in anthills or upon erosional surfaces and are of particular importance.

PROJECT AREA

The project area is situated in the Wagonhound Member (Uinta A & B) of the Uinta Formation. The proposed access road upgrade for "Bonanza #5-20-9-25" begins off an existing two-track road in the NE/SW quarter-quarter section of Sec. 17, T 9 S, R 25 E and travels approximately a half mile before tying in to the proposed access road in the NW/NW quarter-quarter section of Sec. 20 (Figure 1). The proposed access road upgrade begins at a large ditch perpendicular to the road surface and travels over an existing two-track road. The sediments are all previously disturbed. The area on either side of the road is rolling hills and drainages of soil covered in colluvium and alluvium supporting sage brush and grasses. No fossils were found.

SURVEY RESULTS

PROJECT	GEOLOGY	PALEONTOLOGY
Proposed	The proposed access road upgrade begins at a	No fossils were found.
Access Road	large ditch perpendicular to the road surface and	Class 3a
Upgrade for	travels over an existing two-track road. The	
"Bonanza #5-	sediments are all previously disturbed. The area	
20-9-25" (Sec.	on either side of the road is rolling hills and	
17 & 20, T 9 S,	drainages of soil covered in colluvium and	
R 25 E)	alluvium supporting sage brush and grasses.	

RECOMMENDATIONS

A reconnaissance survey was conducted for Enduring's proposed access road upgrade for "Bonanza #5-20-9-25" (Sec. 17 & 20, T 9 S, R 25 E). The access road upgrade covered in this report showed no signs of vertebrate fossils. Therefore, we recommend that no paleontological restrictions should be placed on the development of the projects included in this report.

Buried pipeline will encounter Uinta formational sediments along most of the staked pipeline corridors yet indications from surface fossils predict that little if any vertebrate fossils will be disturbed.

Nevertheless, if any vertebrate fossil(s) are found during construction within the project area, Operator (Lease Holder) will report all occurrences of paleontological resources discovered to a geologist with the Office of the State Paleontologist. The operator is responsible for informing all persons in the areas who are associated with this project of the requirements for protecting paleontological resources. Paleontological resources found on the public lands are recognized by the State as constituting a fragile and nonrenewable scientific record of the history of life on earth, and so represent an important and critical component of America's natural heritage.

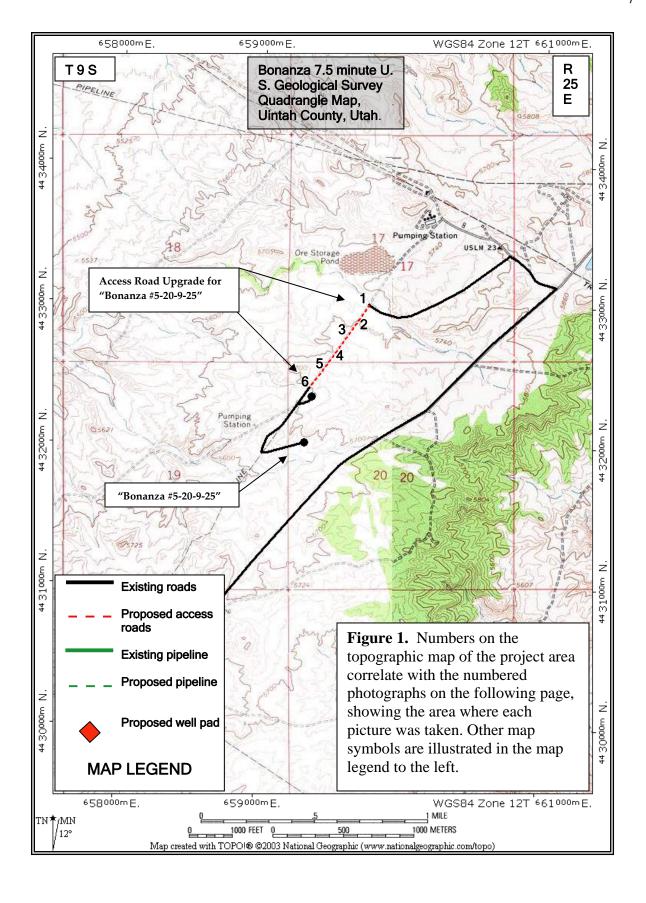
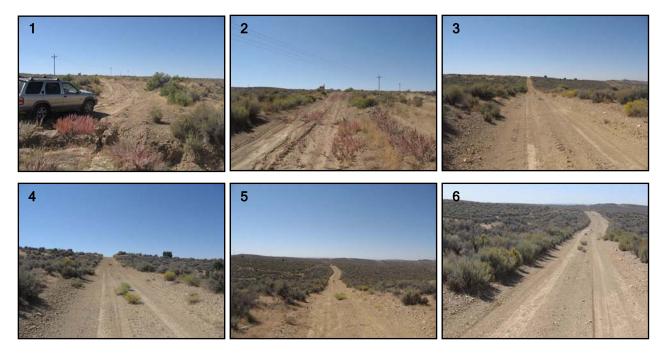


Figure 1. continued...



REFERENCES CITED

- Abbott, W., 1957, Tertiary of the Uinta Basin: Intermountain Assoc. Petroleum Geologists Guidebook, Eighth Ann. Field Conf., p. 102-109.
- Anderson, D. W., and Picard, M. D., 1972, Stratigraphy of the Duchesne River Formation (Eocene-Oligocene?), northern Uinta Basin, northeastern Utah: Utah Geological and Mineralogical Survey Bulletin 97, p. 1-28.
- Betts, C. W., 1871, The Yale College expedition of 1870: Harper's New Monthly Magazine, v. 43, p. 663-671.
- Black, C. C. and Dawson, M. R., 1966, A Review of Late Eocene Mammalian Faunas from North America: American Journal of Science, v. 264, p. 321-349.
- Bryant, B., Naeser C. W., Marvin R. F., Mahnert H. H., 1989, Cretaceous and Paleogene Sedimentary Rocks and Isotopic Ages of Paleogene Tuffs, Uinta basin, Utah. And Ages of Late Paleogene and Neogene Tuffs and the Beginning of Rapid Regional Extension, Eastern Boundary of the Basin and Range Province near Salt lake City, Utah: In: Evolution of Sedimentary basins-Uinta and Piceance Basins. U. S. Geological Survey Bulletin 1787-J, K.
- Flynn, J. J., 1986, Correlation and geochronology of middle Eocene strata from the western United States: Palaeogeographic, Palaeoclimatology, Palaeoecology, v. 55, p. 335-406.
- Hamblin, A. H. and Miller, W. E., 1987, Paleogeography and Paleoecology of the Myton Pocket, Uinta Basin, Utah (Uinta Formation-Upper Eocene): Brigham Young University Geology Studies, v. 34, p 33-60.
- Kay, J. L., 1934, Tertiary formations of the Uinta Basin, Utah: Annals of Carnegie Museum, v. 23, p. 357-371.
- Marsell, R. E., 1964, Geomorphology of the Uinta Basin-A Brief Sketch: Thirteenth annual Field Conference. Association of Petroleum Geologists, p. 34-46.
- Marsh, O. C., 1871, on the geology of the Eastern Uintah Mountains: American Journal of Science and Arts, v. 1, p. 1-8.

 1875a, Ancient lake basins of the Rocky Mountain region: American
Journal of Science and Arts, v. 9, p. 49-52.

_____ 1875b, Notice of new Tertiary mammals, IV: American Journal of Science and Arts, Third Series, v. 9, p. 239-250.

- Osborn, H. F., 1895, Fossil mammals of the Uinta beds, expedition of 1894: American Museum of Natural History Bulletin, v. 7, p. 71-106.
- _____ 1929, The Titanotheres of Ancient Wyoming, Dakota and Nebraska: Monograph of the U. S. Geological Survey, v. 55, p. 1-953.
- Peterson, O. A., 1931c, new species from the Oligocene of the Uinta: Annals of Carnegie Museum, v. 21, p. 61-78.
- Peterson, O. A. and Kay, J. L., 1931, The Upper Uinta Formation of Northeastern Utah: Annals of the Carnegie Museum, v. 20, p. 293-306.
- Prothero, D. R., 1996, Magnetic Stratigraphy and biostratigraphy of the middle Eocene Uinta Formation, Uinta Basin, Utah, *in* Prothero, D. R., and Emry, R. J. editors, The Terrestrial Eocene-Oligocene Transition in North America, p. 3-24.
- Rasmussen, D. T., Conroy, G. C., Friscia, A. R., Townsend, K. E. and Kinkel, M. D., 1999, Mammals of the middle Eocene Uinta Formation: Vertebrate Paleontology of Utah, p. 401-420.
- Riggs, E. S., 1912. New or Little Known Titanotheres from the Lower Uintah Formations: Field Museum of Natural History Geological Series, v. 159, p. 17-41.
- Ryder, R. T., Fouch, T. D., Elison, J. H., 1976, Early Tertiary sedimentation in the western Uinta Basin, Utah: Geological Society of America Bulletin v. 87, p. 496-512.
- Scott, W. B., 1945, The Mammalia of the Duchesne River Oligocene: Transactions of the American Philosophical Society, v. 34, p. 209-253.
- Stucky, R. K., 1992, Mammalian faunas in North America of Bridgerian to early Arikareean "age" (Eocene and Oligocene), in Prothero, D. R., and Berggren, W. A., eds., Eocene-Oligocene climatic and biotic evolution: Princeton University Press, p. 464-493.
- Wood, H. E., 1934, Revision of the Hyrachyidaes: American Museum of Natural History Bulletin, v. 67, p. 181-295.
- and others, 1941, Nomenclature and Correlation of the North America Continental Tertiary: Geol. Soc. Amer. Bull., v. 52, no. 1, Jan. 1, p. 1-48. 52, no. 1, Jan. 1, p. 1-48.

EASEMENT

Fund: School Easement No. 1046

THE STATE OF UTAH, by and through the School and Institutional Trust Lands Administration, GRANTOR, in consideration of the payment of \$6,868.54 plus a \$600.00 application fee, receipt of which is acknowledged, and the promise of GRANTEE to pay an administrative fee as provided by Administration Rules R850-40-1800 and R850-4-200, as amended or replaced, to GRANTOR on or before January 1, 2009, and every third year thereafter, or within 10 days of notice from GRANTOR that payment is due, hereby grants to Enduring Resources, LLC, 475 – 17th Street, Suite 1500, Denver, Colorado, 80202, GRANTEE, the right to construct, operate, repair and maintain an access road and 4-inch diameter natural gas pipeline on state trust lands described as follows:

Township 9 South, Range 25 East SLB&M Section 30: N½NE¼ (within)

Pipeline and Access Road Corridor A

A 40 foot wide easement, 20 feet on each side of the following described centerline.

Beginning at a point in the NW¼ NE¼ of Section 30, T9S, R25E, S.L.B.&M. which bears S66°18'06E 1014.38 feet from the north ¼ corner of said Section 30, thence N87°44'01"E 151.52 feet; thence N71°28'13"E 65.78 feet; thence N62°14'25"E 210.69 feet; thence N74°14'07"E 88.65 feet; thence N89°10'50"E 135.29 feet; thence N79°19'26"E 113.88 feet; thence N76°19'30"E 185.53 feet; thence N80°36'06"E 163.66 feet; thence N71°11'01"E 163.45 feet; thence N65°40'36"E 158.40 feet; thence N72°01'50"E 64.73 feet; thence N79°08'59"E 95.88 feet; thence N69°37'22"E 30.22 feet to a point in the NE¼ NE¼ of said Section 30, which bears S89°57'53"W 151.25 feet from the north ¼ corner of said Section 30. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 1.495 acres, more or less.

Pipeline and Access Road Corridor B

A 40 foot wide easement, 20 feet on each side of the following described centerline.

Beginning at a point in the NE¼ NE¼ of Section 30, T9S, R25E, S.L.B.&M. which bears S86°36'39"W 179.93 feet from the northeast corner of said Section 30, thence S61°12'54"E 205.01 feet to a point on the east line of the NE¼ NE¼ of said Section 30, which bears S00°01'43"E 109.35 feet from the northeast corner of said Section 30. The side lines of said described easement being shortened or

BONANZA 9-25-14-20 9-25-12-20

elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 0.188 acres, more or less.

Township 9 South, Range 25 East SLB&M Section 17: S½ (within)

Access Road

A 30 foot wide easement, 15 feet on each side of the following described centerline.

Beginning at a point in the NE¼ SE¼ of Section 17, T9S, R25E, S.L.B.&M. which bears S03°35'15"W 240.99 feet from the east 1/4 corner of said Section 17, thence S57°54'15W 92.67 feet; thence S73°02'59"W 336.08 feet; thence S72°02'33"W 243.81 feet; thence S64°00'04"W 200.14 feet; thence S62°56'14"W 289.53 feet; thence S63°25'24"W 612.21 feet; thence S63°26'29"W 536.84 feet; thence S63°10'40"W 210.18 feet; thence S64°47'05"W 272.28 feet; thence N85°18'56"W 315.40 feet; thence N80°45'27"W 161.24 feet; thence N60°35'26"W 181.46 feet; thence N60°17'00"W 66.65 feet; thence N76°19'15"W 36.12 feet; thence S64°21'36"W 66.94 feet; thence S39°42'07"W 72.64 feet; thence S43°37'49"W 105.43 feet; thence S33°27'13"W 380.01 feet; thence S33°40'48"W 153.75 feet; thence S35°11'04"W 336.82 feet; thence S36°34'30"W 453.00 feet; thence S36°15'51"W 232.97 feet to a point on the south line of the SW1/4 SW1/4 of said Section 17, which bears S89°58'41"E 917.32 feet from the southwest corner of said Section 17. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 3.689 acres, more or less.

TO HAVE AND TO HOLD for a term of 20 years commencing June 1, 2006 and expiring May 31, 2026, unless earlier terminated, subject to the following terms and conditions and any valid and existing rights or until GRANTEE, its successors and assigns shall fail to make any payment in accordance with its promise above set forth. This Easement is granted only for the purpose described above as far as it is consistent with the principles and obligations in the Enabling Act of Utah (Act of July 16, 1894, Ch. 138, 28 Stat. 107) and the Constitution of the State of Utah.

- 1. GRANTEE shall pay for all cost and expense in connection with the construction, operation, repair, replacement, and maintenance of said access road and pipeline across trust lands, and hold GRANTOR harmless from any and all liability (including expenses for attorney's fees) which may arise from the construction, operation, and maintenance of said access road and pipeline, so long as the Easement shall remain in force and effect.
- 2. GRANTOR reserves the right to relocate or modify the Easement, in whole or in part, as may be necessary to satisfy the interests of GRANTOR for the use of the dominant estate or

the adjoining lands. The cost of such relocation shall be at GRANTEE's sole expense. The relocated or modified Easement shall provide GRANTEE with access such as is necessary to fulfill the purposes of the grant.

- 3. GRANTEE shall have sixty (60) days after the expiration of the terms of this Easement to remove said access road and pipeline if GRANTOR determines it is in GRANTOR's best interest, and upon written notification from GRANTOR. In the event the same is not removed within sixty (60) days, it is mutually agreed by and between GRANTOR and GRANTEE that GRANTOR shall have the right to remove, or cause the same to be removed, all at the cost and expense of GRANTEE.
- 4. GRANTEE represents that it has notified holders of state issued interests in the area surrounding the Easement, as set forth in Exhibit "A" attached hereto, of GRANTEE's rights and plans hereunder. GRANTEE represents that the location and construction of this Easement will not unreasonably interfere with or cause damage to such other existing users.
- 5. GRANTEE agrees that, for good cause shown, at any time during the term of this Easement, GRANTOR may require that the amount of an existing bond be increased or if a bond has not been previously required, GRANTOR may require GRANTEE to post with GRANTOR a bond with an approved corporate surety company authorized to transact business in the State of Utah, or such other surety as may be acceptable to GRANTOR, in a sum to be determined by GRANTOR, said bond to be conditioned upon full compliance with all terms and conditions of this Easement and the rules relating hereto. The amount of this bond shall not be deemed to limit any liability of GRANTEE.
- 6. GRANTEE assumes liability for and agrees to indemnify GRANTOR for and against any and all liability, including attorney's fees, of any nature imposed upon, incurred by, or asserted against GRANTOR which in any way relates to or arises out of the activity or presence upon the Easement of GRANTEE, its servants, employees, agents, sublessees, assignees, or invitees, unless such liability is caused by GRANTOR's sole negligence.
- 7. This Easement may be terminated by GRANTOR upon breach of any conditions hereof. If GRANTOR determines that GRANTEE, its assigns or successors in interest have breached any conditions of this Easement, GRANTOR shall notify the breaching party (parties) in writing by certified mail, return receipt requested, specifying the particular breach. The breaching party (parties) shall have thirty (30) days from the date of such notice, or such longer period as may be required under the circumstances as approved by GRANTOR to correct such breach. If breaching party (parties) fails (fail) to correct such breach within such period, GRANTOR may terminate this Easement without further notice; provided, however, such termination shall not release breaching party (parties) from liability for damage prior to such termination.
- 8. GRANTEE consents to suit in the courts of the State of Utah in any dispute arising under the terms of this Easement or as a result of operations carried on under this Easement.

Service of process in any such action is hereby agreed to be sufficient if sent by registered mail to GRANTEE at the last known address of GRANTEE appearing in the records of GRANTOR.

- 9. GRANTEE agrees for itself, successors and assigns that any suit brought by GRANTEE, its successors or assigns concerning this Easement may be maintained only in the Utah State District Court of Salt Lake County.
- 10. The acquisition or assumption by another party under an agreement with GRANTEE of any right or obligation of GRANTEE under this Easement shall be ineffective as to GRANTOR unless and until GRANTOR shall have been notified of such agreement and shall have recognized and approved the same in writing, and in no case shall such recognition or approval: (i) operate to relieve GRANTEE of the responsibilities or liabilities assumed by GRANTEE hereunder; or (ii) be given unless such other party is acceptable to GRANTOR as a grantee, and assumes in writing all of the obligations of GRANTEE under the terms of this Easement as to the balance of the term thereof, or acquires the rights in trust as security and subject to such conditions as GRANTOR deems necessary.
- 11. GRANTEE shall at all times observe reasonable precautions to prevent fire on said Easement and shall comply with all applicable laws and regulations of any governmental agency having jurisdiction. In the event of a fire on said Easement proximately caused by GRANTEE, its servants, employees, agents, sublessees, assignees or licensees which necessitates suppression action by the State Forester or any other government entity incurring supplemental costs, GRANTEE agrees to reimburse GRANTOR for the cost of such fire suppression action.
- 12. GRANTEE shall surrender to GRANTOR said lands in the original land contour in order to allow the area to properly drain. Rehabilitation shall be done with the approval and to the specifications of GRANTOR.
- 13. GRANTEE, in exercising the privileges granted by this Easement, shall comply with the provisions of all valid Federal, State, County, and Municipal laws, ordinances, and regulations which are applicable to the subject tract and operations covered by this Easement. GRANTEE shall neither commit nor permit any waste on the Easement premises. GRANTEE shall take reasonable precautions to prevent pollution or deterioration of lands or waters which may result from the exercise of the privileges granted pursuant to this Easement.
- 14. GRANTOR herein reserves the right to utilize said Easement for access to and from the lands owned by GRANTOR on both sides of said Easement.
- 15. It is expressly understood and agreed that the right herein granted is non-exclusive and GRANTOR hereby reserves the right to issue other non-exclusive easements, leases, or permits on or across the subject property where such uses are appropriate and compatible or to dispose of the property by sale or exchange.

- 16. GRANTOR expressly reserves the right to lease said land for the exploration, development and production of oil, gas and all other minerals, together with the right of ingress and egress across said Easement.
- 17. GRANTEE agrees that the removal of ordinary sand and gravel or similar materials from the Easement is not permitted except when GRANTEE has applied for and received a materials permit from GRANTOR.
- 18. GRANTEE agrees that no trees may be cut or removed from the Easement except when GRANTEE has applied for and received a small forest products permit or timber contract from GRANTOR.
- 19. It is hereby understood and agreed that all treasure-trove, all articles of antiquity, and critical paleontological resources in or upon the subject lands are and shall remain the property of GRANTOR. GRANTEE agrees that all costs associated with archeological and paleontological investigations on the subject lands that may be required by GRANTOR will be borne by GRANTEE. GRANTEE further agrees to cease all activity on the subject lands and immediately notify GRANTOR if any discovery of human remains or a "site" or "specimen," as defined in Section 9-8-302 or 63-73-1 Utah Code Annotated (1953), as amended, is made on the subject lands, and continue to cease all construction or maintenance therein until such time as the human remains, "site" or "specimen" in question has been treated to the satisfaction of GRANTOR.
- 20. GRANTOR claims title in fee simple, but does not warrant to GRANTEE the validity of title to these premises. GRANTEE shall have no claim for damages or refund against GRANTOR for any claimed failure or deficiency of GRANTOR's title to said lands or for interference by any third party.
- 21. GRANTOR reserves the right to inspect the area subject to the Easement at any time and recall GRANTEE for correction of any violations of stipulations contained herein. If GRANTEE fails to correct such violations within a reasonable time GRANTOR may, after thirty (30) days written notice, re-enter and terminate this Easement.
- 22. This Easement is granted pursuant to the provisions of all applicable laws and subject to the rules of the departments and agencies of the State of Utah presently in effect and to such laws and rules as may be hereafter promulgated by the State.
- 23. Any notice contemplated herein to be served upon GRANTEE shall be in writing and shall be deemed sufficient if deposited in the United States mail, postage prepaid and certified or registered, and addressed as follows:

Enduring Resources, LLC 475 – 17th Street, Suite 1500 Denver, Colorado 80202

or at any such other address as GRANTEE may from time to time designate by written notice to GRANTOR.

- 24. This Easement shall be interpreted and governed by the laws of the State of Utah and the provisions hereof shall inure to and be binding upon the successors and assigns of GRANTEE.
- 25. No Waiver of Conditions by GRANTOR of any default of GRANTEE or failure of GRANTOR to timely enforce any provisions of this Easement shall constitute a waiver of or constitute a bar to subsequent enforcement of the same or other provisions of this Easement. No provision in this Easement shall be construed to prevent GRANTOR from exercising any legal or equitable remedy it may otherwise have.

IN WITNESS WHEREOF, the State of Utah, by and through the School and Institutional Trust Lands Administration, has caused these presents to be executed this ______ day of _______, 2006 by the Director.

GRANTOR:

STATE OF UTAH School and Institutional Trust Lands Administration 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818

By:

KEVIN S. CARTER, DIRECTOR

GRANTEE:

ENDURING RESOURCES, LLC 475 – 17th Street, Suite 1500 Denver, Colorado 80202

By:

PRESIDENT Its: VICE

APPROVED AS TO FORM MARK L. SHURTLEFF ATTORNEY GENERAL

Director's Initial Review: _

/s:/ Michelle McConkie
Special Assistant Attorney General

Easement No. 1046 Enduring Resources, LLC Page 8	
STATE OF UTAH COUNTY OF SALT LAKE On the 12th day of Kevin S. Carter, who being duly sworn did say tha Institutional Trust Lands Administration, and author	orized to execute the above instrument.
My commission expires: 2/23/07	Notary Public, residing at: LINDA BIANCHI NOTARY PUBLIC • STATE of UTAH 675 EAST 500 SOUTH, STE. 500 SALT LAKE CITY, UT 84102 COMM. EXP. 02-23-07
STATE OF COLORADO : CITY AND : COUNTY OF DENVER)	§
11 - 71	, 2006, personally appeared before me to being duly sworn did say that he/she is the anduring Resources, LLC, and authorized to
My commission expires: 9-9-2006	Notary Public, residing at: 6860 South SALIDA Cr FOKFIELD, CO BOOIL

EASEMENT NO. 1046 Exhibit "A"

Grazing Permit No. 22609 William R. Robinson

P.O. Box 1506 Vernal, UT 84078

Grazing Permit No. 22835 O.S. Wyatt, Jr.

8 Greenway Plaza, Suite 780

Houston, TX 77046

Easement No. 157 Colorado Interstate Gas

P.O. Box 1087

Colorado Springs, CO 80944

Easement No. 375 Canyon Gas Resources, LLC

7400 East Orchard Rd., Suite 3025

Englewood, CO 80111

Easement No. 475 Mid-America Pipeline Company

% Enterprise Products Company

P.O. Box 4324 Houston, TX 77210

Easement No. 944 Canyon Gas Resources, LLC

7400 East Orchard Rd., Suite 3025

Englewood, CO 80111

Easement No. 1002 Enduring Resources, LLC

475 – 17th Street, Suite 1500

Denver, CO 80202

Mineral Lease No. 45557 The Houston Exploration Company

Mineral Lease No. 45560 Suite 2000, 1100 Louisiana

Houston, TX 77002

Mineral Lease No. 45557 Enduring Resources, LLC Mineral Lease No. 45560

475 – 17th Street, Suite 1500

Denver, CO 80202

EASEMENT NO. 1046 Exhibit "A" (continued)

Mineral Lease No. 49104 Cliffs Synfuel Corp

550 E Division Street Ishpeming, MI 49849

Mineral Lease No. 49190 Retamco Operating Inc.

Attn: Joe Glennon 3301 Stonewall Lane Billings, MT 59102

Special Use Lease No. 1088 Canyon Gas Resources, LLC

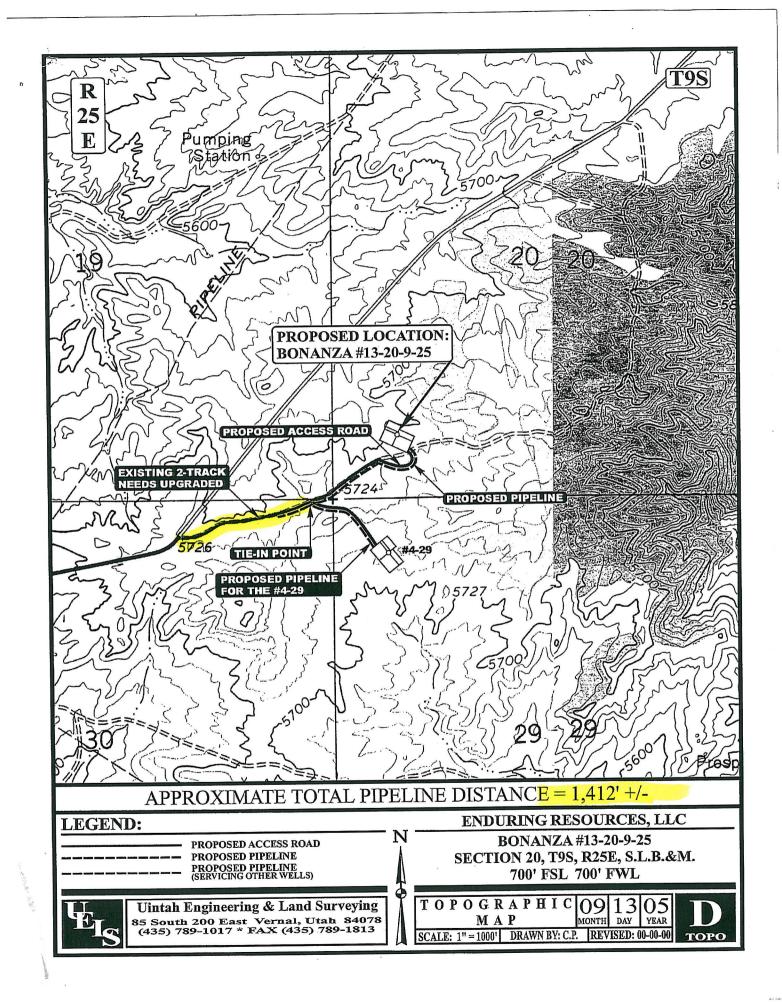
7400 East Orchard Rd., Suite 3025

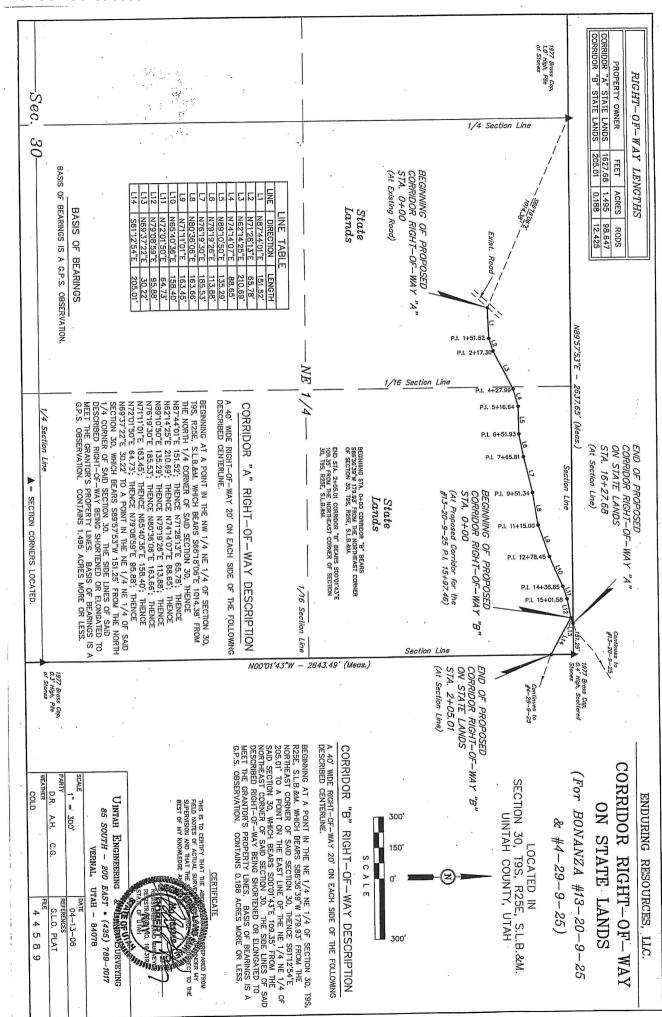
Englewood, CO 80111

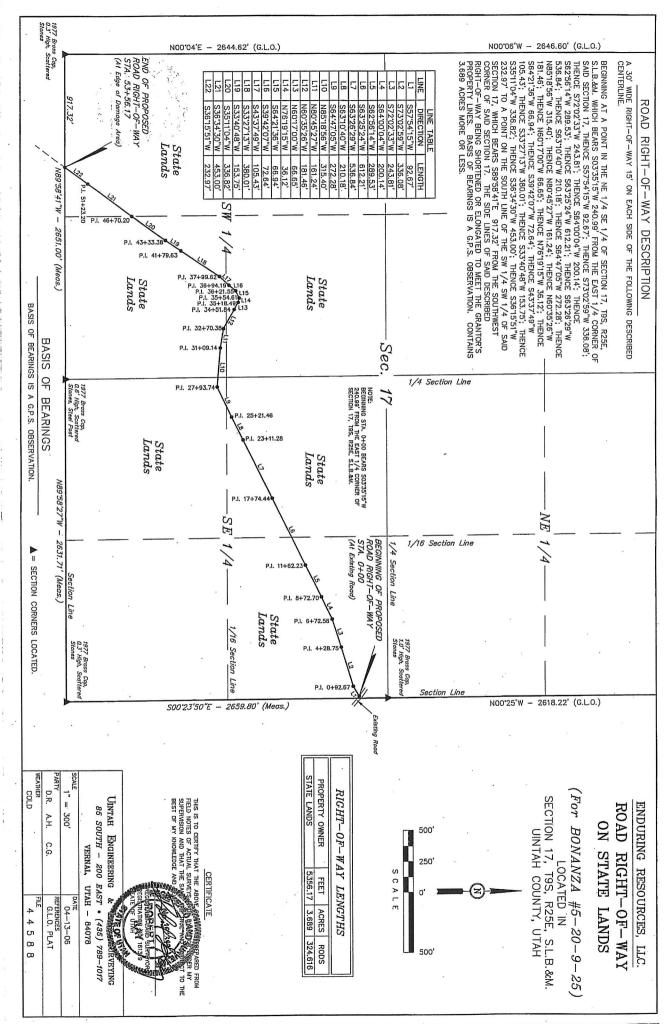
Special Use Lease No. 1260 American Gilsonite Company

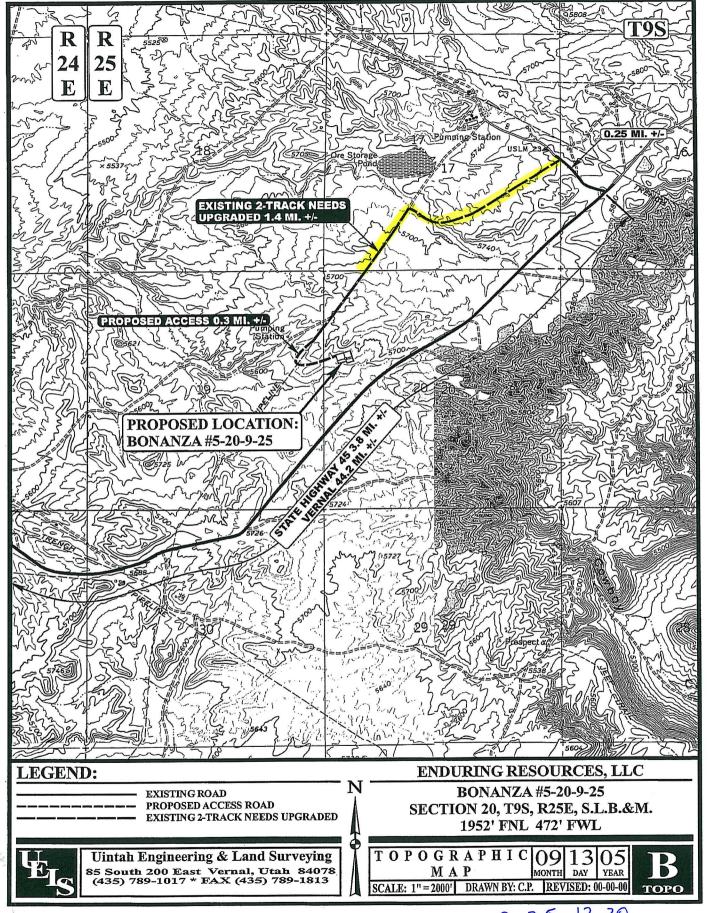
292950 South Bonanza Highway

Bonanza, UT 84008









Enduring Resources, LLC Bonanza #9-25-12-20 SWNW Sec. 20 T9S-R25E Uintah County, Utah Lease # ML-45558

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Directions to the proposed location are as follows:

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 36.5 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING TWO-TRACK ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATLEY 1.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION APPROXIMATELY 46.15 MILES IN A SOUTHEASTERLY DIRECTION.

2. Planned Access Roads:

The proposed access road will be approximately 3/10ths of a mile of new construction approximate 584' (ON-LEASE) and 1,000' OFF-LEASE (BLM). Access to the proposed new access road will by using existing roads. The first 1/4 mile of road after leaving Stanton Road is bladed, ditched and crowned, no upgrading is anticipated. The 1.4 miles of road before reaching the takeoff point of the new access road to be constructed, will need to be upgraded (bladed, ditched and crowned). Please refer to Topo Map "B" for the takeoff point for the new OFF-LEASE and ON-LEASE road construction.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

The access road will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provided a well constructed, safe road. No fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or

Enduring Resources, LLC Bonanza 9-25-12-20 Page - 2 -

upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: <u>Surface Operating Standards for Oil and Gas Exploration and Development. 1989.</u>

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. <u>Location of Existing Wells within a One-Mile radius (See "Topo" Map "C" attached):</u>

The following wells are wells located within a one (1) mile radius of the proposed location.

a. None: Water Wells:

b. None: Injection Wells:

c. One: Producing Wells: (Hoss #15, API#: 43-047-34756,

SWSE of Sec. 20, T9S-R25E.

d. None: Drilling Wells:e. None: Shut-in Wells:

f. None: Temporarily Abandoned Wells:

g. None: Disposal Wells: h. None: Abandoned Wells:

i. None: Abandoned v

j. None: Observation Wells:

4. <u>Location of Existing and/or Proposed Facilities:</u>

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes

Enduring Resources, LLC Bonanza 9-25-12-20 Page - 3 -

will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be Carlsbad Canyon (2.5Y 6/2). Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline:

a. ON-LEASE 2,103' State of Utah (SITLA) b. OFF-LEASE 1,300' BLM

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed. The surface gas gathering line shall be in use year round. A total of approximately 3,403 feet of surface gas gathering pipeline shall be laid on the surface to minimize surface disturbance:

- a. ON-LEASE approximately 2,103 feet (4 inch or less diameter steel), and
- b. OFF-LEASE approximately 1,300 feet (4 inch or less diameter steel).

The proposed pipeline will begin at the well site; continue northeasterly to tie-in into an existing pipeline. The line will be welded together and pulled from the well site location and tie-in point when practical; however, it may be necessary to utilize the access road for welding of the line. The line will then be boomed off to the side of the road. The gas meter run will be located within 500 feet of the wellhead. The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

5. <u>Location and Type of Water Supply:</u>

Water will be purchased from American Gilsonite from the following source. Water Right No. 49-222, Application/Claim No. A29909/a4958, Certificate No. 9915 ("AGC Water Right"). The AGC Water Right consists of nineteen underground water wells located in Sec.2, T10S, R24E, SLBM, piped to and stored in a cistern located in Section 25, T9S, R24E.

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

Enduring Resources, LLC Bonanza 9-25-12-20 Page - 4 -

No water well is to be drilled on this lease.

6 Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized fro location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit well be constructed on the location and will not be located within natural drainage, where a flood hazard exits or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, brake or allow discharge of liquids.

The reserve pit will be lined with ¼ felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash well will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in

Enduring Resources, LLC Bonanza 9-25-12-20 Page - 5 -

threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well.

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

8 Ancillary Facilities:

During drilling operations, approximately 20 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 4.

9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams described drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be reseeded and track walker at the time the location is constructed. Seeding will be with the determined during the onsite. (Refer to "Seed Mixture for Windrowed Top Soil Will included:" following herein.

The top soil removed from the pit area will be store separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. Location size may change prior to drilling the well due to the current rig

Enduring Resources, LLC Bonanza 9-25-12-20 Page - 6 -

availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. Plans for Surface Reclamation:

Producing Location:

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.
- c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
- e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding round surface to allow the reclaimed pit area to drain effectively.
- f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

- a. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.
- b. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

Seed Mixture for Windrowed Top Soil Will Included:

The appropriate surface management agency will be contacted for the required seed mixture and dates.

11. Surface Ownership: Location, Access and Pipeline Route:

Wellsite: State of Utah School and Institutional Trust Lands Administration

Access: State of Utah School and Institutional Trust Lands Administration, and

Bureau of Land Management

Enduring Resources, LLC Bonanza 9-25-12-20 Page - 7 -

Pipeline:

State of Utah School and Institutional Trust Lands Administration, and

Bureau of Land Management

12. Other Information

Wildlife Stipulations:

None

Archeology:

A Cultural Resource Inventory Report is attached.

Paleontology:

A Paleontology Reconnaissance Report is attached.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

All lease operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, and the approved Plan of Operations and all applicable Notice to Lessees. The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

13. Lessee's or Operator's Representatives:

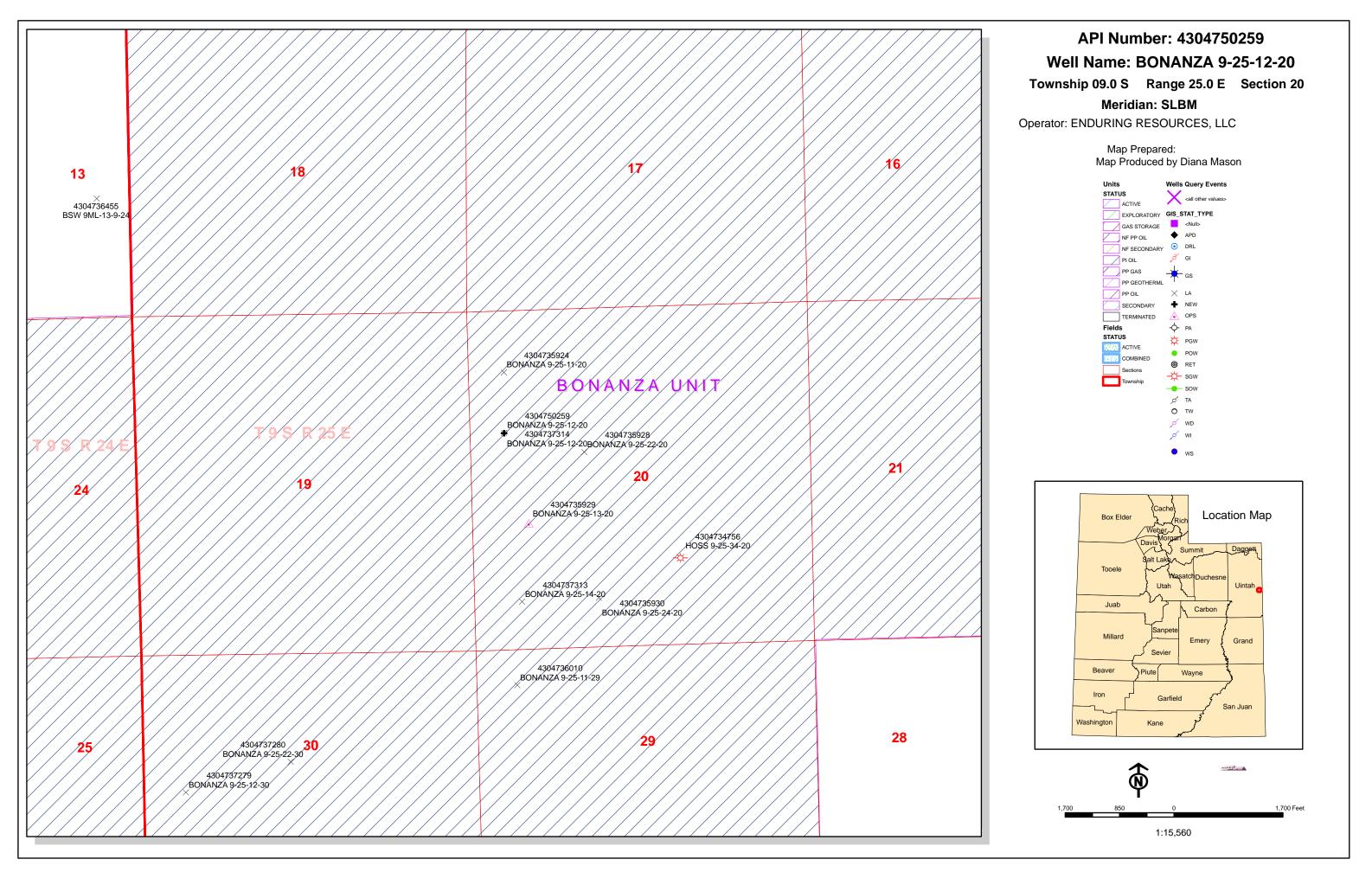
Representatives:

Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-350-5114
Fax Tel: 303-573-0461

aarlian@enduringresources.com

Carroll Estes
Utah Production Superintendent
Enduring Resources, LLC
759 East 500 South
Vernal, UT 84078
Office Tel: 435-781-0172

Fax Tel: 435-781 0174 cestest@enduringresources.com



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

January 14, 2009

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2009 Plan of Development Bonanza Unit, Uintah County,

Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2009 within the Bonanza Unit, Uintah County, Utah.

API # WELL NAME LOCATION

(Proposed PZ WASATCH)

43-047-50259 BONANZA 9-25-12-20 Sec 20 T09S R25E 1952 FNL 0472 FWL

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File - Bonanza Unit

Division of Oil Gas and Mining

Central files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:1-14-09

From: Jim Davis

To: Bonner, Ed; Mason, Diana

2/11/2009 2:16 PM Date:

Subject: Approval of one Enduring well

CC: Garrison, LaVonne

The following well has been approved by SITLA, including arch and paleo clearance.

Enduring Resources Bonanza 9-25-12-20 API 4304750259

FYI: This is a re-submital of an APD that was approved by SITLA previously. But it's a new API number and it's gone through the whole process again.

-Jim

Jim Davis **Utah Trust Lands Administration** jimdavis1@utah.gov Phone: (801) 538-5156

BOPE REVIEW Enduring Resources, LLC BONANZA 9-25-12-20 43047502590000

Well Name	Enduring Resources, LLC BONANZA 9-25-12-20 43047502590000			
String	Cond	Surf	Prod	
Casing Size(")	14.000	8.625	4.500	
Setting Depth (TVD)	40	2000	6010	
Previous Shoe Setting Depth (TVD)	О	40	2000	
Max Mud Weight (ppg)	9.0	11.0	10.2	
BOPE Proposed (psi)	О	0	3000	
Casing Internal Yield (psi)	1000	2950	7780	
Operators Max Anticipated Pressure (psi)	3130		10.0	

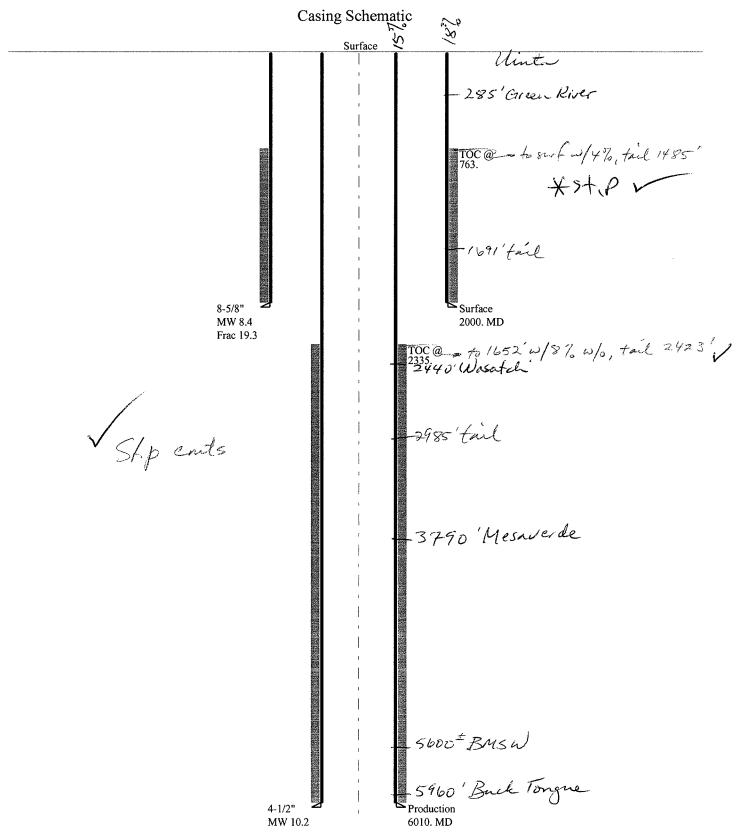
Calculations	Cond String	14.000	"
Max BPH (psi)	.052*Setting Depth*MW=	19	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	14	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	10	NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe Max BHP22*(Setting Depth - Previous Shoe Depth)=		10	NO
Required Casing/BOPE Test Pressure=		0	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

Calculations	Surf String	8.625	"
Max BPH (psi)	.052*Setting Depth*MW=	1144	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	904	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	704	NO No expected pressures (set depth in offsetting well)
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting Depth - Previous Shoe Depth)=	713	NO
Required Casing/BOPE Test Pressure=		2000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		40	psi *Assumes 1psi/ft frac gradient

Calculations	Prod String	4.500	"
Max BPH (psi)	.052*Setting Depth*MW=	3188	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2467	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1866	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting Depth - Previous Shoe Depth)=	2306	NO Reasonable
Required Casing/BOPE Test Pressure=		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		2000	psi *Assumes 1psi/ft frac gradient

Calculations	String	"
Max BPH (psi)	.052*Setting Depth*MW=	
		BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	NO
		*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting Depth - Previous Shoe Depth)=	NO
Required Casing/BOPE Test Pressure=		psi
*Max Pressure Allowed @ Previous Casing Shoe=		psi *Assumes 1psi/ft frac gradient

43047502590000 BONANZA 9-25-12-20



43047502590000 BONANZA 9-25-12-20 Well name:

Enduring Resources, LLC Operator:

String type: Surface Project ID: 43-047-50259

UINTAH COUNTY Location:

Minimum design factors: **Design parameters: Environment:**

Collapse Collapse: H2S considered? No 74 °F Mud weight: 8.400 ppg Design factor 1.000 Surface temperature:

Bottom hole temperature: 102 °F Design is based on evacuated pipe. 1.40 °F/100ft Temperature gradient:

Minimum section length: 100 ft

Burst:

Tension:

2000

8 Round STC:

Design factor 1.00 Cement top: 763 ft

Burst Max anticipated surface

pressure: 1,760 psi

Internal gradient: 0.120 psi/ft Calculated BHP 2,000 psi

8 Round LTC: 1.70 (J) No backup mud specified. **Buttress:** 1.60 (J)

1.50 (J) Premium:

Tension is based on air weight. Neutral point:

Body yield: 1.50 (B) Re subsequent strings: Next setting depth:

1.80 (J)

6,010 ft Next mud weight: 10.200 ppg 1.748 ft Next setting BHP: 3,185 psi 19.250 ppg

48

Non-directional string.

Fracture mud wt: Fracture depth: Injection pressure:

1.48

Nominal Run Segment End **True Vert** Measured Drift Est. Size Weight **Finish** Depth Depth Diameter Cost Seq Length Grade (lbs/ft) (ft) (in) (ft) (ft) (in) (\$) 2000 2000 10295 2000 24.00 J-55 ST&C 7.972 1 8.625 Collapse **Tension Tension** Run Collapse Collapse Burst **Burst** Burst **Tension** Seq Load Strength Design Load Strength Design Load Strength Design (psi) **Factor** (psi) (psi) **Factor** (kips) (kips) **Factor** (psi)

2950

Helen Sadik-Macdonald Prepared Div of Oil, Gas & Mining by:

1370

1.570

Phone: 801 538-5357 FAX: 801-359-3940

Date: February 10,2009 Salt Lake City, Utah

244

2,000 ft

2,000 psi

5.08 J

Remarks:

1

873

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

43047502590000 BONANZA 9-25-12-20 Well name:

Enduring Resources, LLC Operator:

String type: Production Project ID: 43-047-50259

UINTAH COUNTY Location:

Minimum design factors: **Environment:** Design parameters:

Collapse Collapse: H2S considered? No 74 °F Mud weight: 10.200 ppg Design factor 1.000 Surface temperature:

158 °F Bottom hole temperature: Design is based on evacuated pipe. 1.40 °F/100ft Temperature gradient:

Minimum section length: 100 ft Burst:

Design factor 1.00 Cement top: 2,335 ft

Burst

Max anticipated surface pressure: 1,862 psi

Internal gradient: 0.220 psi/ft Non-directional string. Tension: Calculated BHP 8 Round STC: 1.80 (J) 3,185 psi

1.80 (J) 8 Round LTC: No backup mud specified. **Buttress:** 1.60 (J) 1.50 (J) Premium:

Body yield: 1.60 (B)

> Tension is based on air weight. Neutral point: 5.094 ft

End True Vert Drift Run Segment Nominal Measured Est. Weight Grade **Finish** Depth Depth Diameter Cost Seq Length Size (lbs/ft) (in) (ft) (in) (ft) (ft) (\$) 6010 6010 24752 N-80 LT&C 3.875 1 6010 4.5 11.60 **Tension Tension** Run Collapse Collapse Collapse Burst Burst **Burst** Tension Load Strength Design Load Strength Design Load Strength Design Seq (psi) **Factor** (psi) (psi) **Factor** (kips) (kips) **Factor** (psi) 1 3185 6350 1.994 3185 7780 2.44 69.7 223 3.20 J

Helen Sadik-Macdonald Prepared Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: February 10,2009 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6010 ft, a mud weight of 10.2 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator ENDURING RESOURCES, LLC

Well Name BONANZA 9-25-12-20

API Number 43047502590000 APD No 1258 Field/Unit WILDCAT

Location: 1/4,1/4 SWNW **Sec** 20 **Tw** 9.0S **Rng** 25.0E 1952 FNL 472 FWL

GPS Coord (UTM) 659410 4431806 Surface Owner

Participants

Floyd Bartlett (DOGM), Ben Williams and Pat Rainbolt (UDWR), Carroll Estes (Enduring Resources).

Regional/Local Setting & Topography

The general area is an undesignated oil field area of Uintah County in the Coyote Wash drainage. Bonanza, Utah is approximately 4.4 road miles to the southwest and Vernal, Utah is approximately 37 air miles to the northwest. Active as well as historic gilsonite mines exist in the area. The area is characterized by rolling hills and benches, which are frequently intersected by draws that are secondary drainages of Coyote Wash. The draws are occasionally rimed with steep side hills, which may have exposed sand stone bedrock cliffs along the rims. The bottom of Coyote Wash is wide and contains an intermittent stream. These intermittent flows occasionally reach the White River that is westerly approximately 20 miles. Access to the proposed well site is by existing roads except for 1.4 miles of existing 2-track which will require improvement and 0.5 miles of new road to be constructed.

SITLA owns both the surface and the minerals. The well pad is proposed across the bottom of a wide swale. The swale extends down slope from the northeast to the southwest. Moderately steep side-slopes forming ridges extend along both sides of the swale. The terrain becomes gentler immediately beyond the location to the south then steepens into a deeper draw. Cut will be moved from both sides of the swale into the bottom as fill to form the pad. The center location is on 4 feet of fill. Compaction is required to obtain a stable fill. The reserve pit is located on the southheast side of the location with the portion nearest to the center stake in a fill. Again compaction as well as a 20-mil liner are required. A diversion is planned around the north and west sides of the location. No stability problems are anticipated with the pad and pit as proposed if the required level of compaction is achieved. No seeps, springs or streams are in the immediate area. The main drainage of Coyote Wash is approximately 3 mile to the northwest.

Jim Davis and Ed Bonner of SITLA were invited to the pre-site evaluation. Neither attended.

Surface Use Plan

Current Surface Use

Grazing Recreational Wildlfe Habitat

New Road Miles Well Pad Src Const Material Surface Formation

0.5 Width 260 Length 345 Onsite UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

3/17/2009 Page 1

Flora / Fauna

Vegetation in the area is dominated by big sagebrush. Cheatgrass, rabbit brush, broom snakeweed, halogeton, shadscale, a few juniper and spring annuals also exist

Antelope, deer, domestic sheep, rabbits, coyotes, and small mammals, birds and raptors.

Soil Type and Characteristics

Moderately deep sandy loam with a few rock. Bedrock outcrops occur on the ridge on the reserve pit side.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues Y

The center location is on 4 feet of fill. Compaction is required to obtain a stabile fill.

Drainage Diverson Required? Y

A diversion is planned around the north and west sides of the location.

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Paleo Potental Observed? N Cultural Survey Run? Cultural Resources?

Reserve Pit

Site-Specific Factors Site Ranking			
Distance to Groundwater (feet)	100 to 200	5	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)	>1320	0	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)		0	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	20	1 Sensitivity Level

Characteristics / Requirements

A 75' x 150' x 12' deep reserve pit is planned on the southeast corner of the location. Most of the pit will be in a cut except the west end which will be supported by the pad and a 20-foot wide bench. The pit requires a 20-mil liner and an appropriate thickness of felt as a sub liner

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 20 Pit Underlayment Required? Y

Other Observations / Comments

Floyd Bartlett 2/9/2009

3/17/2009 Page 2

Evaluator Date / Time

3/17/2009 Page 3

3/17/2009

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
1258	43047502590000	LOCKED	GW	S	No
Operator	ENDURING RESOUR	CES, LLC	Surface Owner-APD		
Well Name	BONANZA 9-25-12-20	1	Unit	BONANZA	
Field	WILDCAT		Type of Work	DRILL	
Location	SWNW 20 9S 251	S 1952 FNI	472 FWI GPS Coord (LITM)	659412F 44	31802N

Geologic Statement of Basis

Enduring proposes to set 2,000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 5,700 feet. A search of Division of Water Rights records shows 1 water well within a 10,000 foot radius of the proposed location. The well is located approximately 1 mile NE of the proposed location. Depth is listed as 1,000-5,000' and used for livestock and domestic consumption. The surface formation at this location is the Uinta Formation overlaying the Green River Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The Green River Formation is made up of interbedded limestones, shales and sandstones. Fresh water aquifers can be found in the Green River Formation and should be protected. The proposed surface casing should adequately protect any potentially useable aquifers. Production casing cement should be brought up above the base of the moderately saline ground water.

Brad Hill 2/18/2009 **APD Evaluator Date / Time**

Surface Statement of Basis

The general area is an undesignated oil field area of Uintah County in the Coyote Wash drainage. Bonanza, Utah is approximately 4.4 road miles to the southwest and Vernal, Utah is approximately 37 air miles to the northwest. Active as well as historic gilsonite mines exist in the area. The area is characterized by rolling hills and benches, which are frequently intersected by draws that are secondary drainages of Coyote Wash. The draws are occasionally rimed with steep side hills, which may have exposed sand stone bedrock cliffs along the rims. The bottom of Coyote Wash is wide and contains an intermittent stream. These intermittent flows occasionally reach the White River that is westerly approximately 20 miles. Access to the proposed well site is by existing roads except for 1.4 miles of existing 2-track which will require improvement and 0.5 miles of new road to be constructed.

SITLA owns both the surface and the minerals. The well pad is proposed across the bottom of a wide swale. The swale extends down slope from the northeast to the southwest. Moderately steep side-slopes forming ridges extend along both sides of the swale. The terrain becomes gentler immediately beyond the location to the south then steepens into a deeper draw. Cut will be moved from both sides of the swale into the bottom as fill to form the pad. The center location is on 4 feet of fill. Compaction is required to obtain a stabile fill. The reserve pit is located on the southheast side of the location with the portion nearest to the center stake in a fill. Again compaction as well as a 20-mil liner are required. A diversion is planned around the north and west sides of the location. No stability problems are anticipated with the pad and pit as proposed if the required level of compaction is achieved. No seeps, springs or streams are in the immediate area. The main drainage of Coyote Wash is approximately 3 mile to the northwest.

Jim Davis and Ed Bonner of SITLA were invited to the pre-site evaluation. Neither attended. Ben Williams and Pat Rainbolt represented the UDWR. The area is classified as substantial value habitat for both antelope and deer. They made no recommendations for restrictions for either of these species. No other wildlife are expected to be significantly effected. Mr Rainbolt gave Mr. Estes of Enduring Resources a written wildlife evaluation and a recommended seed mix to be used when re-vegetating the location.

'APIWellNo:43047502590000'

3/17/2009

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining

Page 2

A 75' x 150' x 12' deep reserve pit is planned on the southeast corner of the location. Most of the pit will be in a cut except the west end which will be supported by the pad and a 20-foot wide bench. The pit requires a 20-mil liner and an appropriate thickness of felt as a sub liner

Floyd Bartlett
Onsite Evaluator

2/9/2009 **Date / Time** 'APIWellNo:43047502590000'

3/17/2009

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining

Page 3

Conditions of Approval / Application for Permit to Drill

Category Condition

Pits A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the

reserve pit.

Surface Drainages adjacent to the proposed pad shall be diverted around the location. Surface The reserve pit shall be fenced upon completion of drilling operations.

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED:	1/12/2009	API NO. ASSIGNED:	43047502590000
WELL NAME:	Bonanza 9-25-12-20		
OPERATOR:	Enduring Resources, LLC (N2750)	PHONE NUMBER:	303 350-5114
CONTACT:	Alvin Arlian		
PROPOSED LOCATION:	SWNW 20 090S 250E	Permit Tech Review:	
SURFACE:	1952 FNL 0472 FWL	Engineering Review:	<u>r</u>
воттом:	1952 FNL 0472 FWL	Geology Review:	
COUNTY:	UINTAH		
LATITUDE:	40.02328	LONGITUDE:	-109.13194
UTM SURF EASTINGS:	659412.00	NORTHINGS:	4431802.00
FIELD NAME:	WILDCAT		
LEASE TYPE:	3 - State		
LEASE NUMBER:	ML-45558	PROPOSED FORMATION:	BUKCN
SURFACE OWNER:	3 - State	COALBED METHANE:	NO
RECEIVED AND/OR REVIEWI	 ED:	LOCATION AND SITING:	
 PLAT		R649-2-3.	
▶ Bond: STATE/FEE - RLB00	008031	Unit: BONANZA	
Potash		№ R649-3-2. General	
Oil Shale 190-5			
Oil Shale 190-3		R649-3-3. Exception	
Oil Shale 190-13		✓ Drilling Unit	
✓ Water Permit: 49-222		Board Cause No: R649-3-2	
RDCC Review:		Effective Date:	
Fee Surface Agreement		Siting:	
Intent to Commingle		R649-3-11. Directional Drill	
Comments: Presite Com	pleted		
12 - Cemen	ent of Basis - bhill it Volume (3) - hmacdonald e Casing - hmacdonald		

API Well No: 43047502590000



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: BONANZA 9-25-12-20

API Well Number: 43047502590000

Lease Number: ML-45558 **Surface Owner:** STATE **Approval Date:** 3/19/2009

Issued to:

Enduring Resources, LLC, 475 17th Street, Suite 1500, Denver, CO 80202

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

Cement volume for the 4 1/2 production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 300' above surface shoe as indicated in the submitted drilling plan.

Surface casing shall be cemented to the surface.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to spudding the well contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program contact

API Well No: 43047502590000

Dustin Doucet

• Prior to commencing operations to plug and abandon the well - contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well contact Dustin Doucet
- Any changes to the approved drilling plan contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

• Dan Jarvis at: (801) 538-5338 office

(801) 942-0871 home

Carol Daniels at: (801) 538-5284 office
Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

Reporting Requirements:

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Approved By:

Gil Hunt

Associate Director, Oil & Gas

il Hu

	STATE OF UTAH				FORM 9
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5	5.LEAS ML-4	SE DESIGNATION AND SERIAL NUMBER: 5558
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF I	NDIAN, ALLOTTEE OR TRIBE NAME:	
	sals to drill new wells, significantly deepe gged wells, or to drill horizontal laterals.			7.UNI	or ca agreement name: NZA
1. TYPE OF WELL Gas Well			L NAME and NUMBER: NZA 9-25-12-20		
2. NAME OF OPERATOR: Enduring Resources, LLC					NUMBER: 7502590000
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 ,	Denver, CO, 80202 303		HONE NUMBER: 5114 Ext	9. FIEI WILD	.D and POOL or WILDCAT: CAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1952 FNL 0472 FWL				UINT	
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWNW Section: 20	P, RANGE, MERIDIAN:) Township: 09.0S Range: 25.0E Meridiar	n: S		STATE UTAH	
11. CHE	CK APPROPRIATE BOXES TO INDICA	ATE NA	ATURE OF NOTICE, REPORT	, OR OT	HER DATA
TYPE OF SUBMISSION			TYPE OF ACTION		
	ACIDIZE		ALTER CASING		CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	□ c	CHANGE TUBING		CHANGE WELL NAME
3/19/2010	CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS		CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN	☐ F	FRACTURE TREAT		NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	☐ P	PLUG AND ABANDON		PLUG BACK
	☐ PRODUCTION START OR RESUME		RECLAMATION OF WELL SITE		RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	□ s	SIDETRACK TO REPAIR WELL		TEMPORARY ABANDON
	☐ TUBING REPAIR	□ v	/ENT OR FLARE		WATER DISPOSAL
☐ DRILLING REPORT	☐ WATER SHUTOFF	□ s	SI TA STATUS EXTENSION	1	APD EXTENSION
Report Date:	☐ WILDCAT WELL DETERMINATION		OTHER	ОТІ	IER:
12. DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly show all pe	ertinent	t details including dates, depths,	volumes.	etc.
	one-year extension to the A			_	
					Approved by the
					Utah Division of I, Gas and Mining
				U	i, das and Mining
			ı	Date:	March 25, 2010
				T	00 00
			ı	Ву: <u> ()</u>	A CONTRACTOR OF THE PROPERTY O
					33
NAME (DI FACE DOTAIT)	DUONE NUMBE	D I	TITLE		
NAME (PLEASE PRINT) Alvin Arlian	PHONE NUMBE 303 350-5114	ĸ	Landman-Regulatory		
SIGNATURE N/A			DATE 3/19/2010		



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047502590000

API: 43047502590000 **Well Name:** BONANZA 9-25-12-20

Location: 1952 FNL 0472 FWL QTR SWNW SEC 20 TWNP 090S RNG 250E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 3/19/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

require revi	sion. Following is a	checklist of son	ne items related to	o the applicat	ion, which should be veri	fied.
	ated on private land ed? 📗 Yes 🍺 N		ship changed, if s	o, has the su	face agreement been	
	any wells been drille requirements for th			well which w	ould affect the spacing o	r
	here been any unit o s proposed well?		ents put in place	that could aff	ect the permitting or ope	ratio
	there been any char the proposed locati			g ownership,	or rightof- way, which co	uld
• Has tl	he approved source	of water for dri	lling changed?	Yes 📵 N	0	
	there been any phys je in plans from wha				route which will require Yes <a> No	a
• Is boı	nding still in place, v	vhich covers thi	is proposed well?	Yes	Approved by the No Utah Division of Oil, Gas and Mining	g
Signature:	Alvin Arlian	Date:	3/19/2010			
Title:	Landman-Regulatory	Representing:	ENDURING RESOU	RCES, LLC D	ate: March 25, 2010	
					Million on I	

	STATE OF UTAH		FORM 9
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		5.LEASE DESIGNATION AND SERIAL NUMBER: ML-45558	
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deepen e igged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME: BONANZA
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: BONANZA 9-25-12-20
2. NAME OF OPERATOR: Enduring Resources, LLC			9. API NUMBER: 43047502590000
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500,	Denver, CO, 80202 303 35	PHONE NUMBER: 50-5114 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1952 FNL 0472 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWNW Section: 20	P, RANGE, MERIDIAN:) Township: 09.0S Range: 25.0E Meridian: S	3	STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	☐ ACIDIZE [ALTER CASING	CASING REPAIR
✓ NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
3/19/2010	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN [FRACTURE TREAT	☐ NEW CONSTRUCTION
Bute of Work completion.	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	☐ TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date.	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:
	OMPLETED OPERATIONS. Clearly show all perting one-year extension to the API		olumes, etc.
Request for an	Tone-year extension to the API	Termination date.	Approved by the
			Utah Division of
			Oil, Gas and Mining
		_	March 25, 2010
		U	ate: March 25, 2010
		В	y: Dalyfill
NAME (PLEASE PRINT) Alvin Arlian	PHONE NUMBER 303 350-5114	TITLE Landman-Regulatory	
SIGNATURE		DATE	
N/A		3/19/2010	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047502590000

API: 43047502590000 **Well Name:** BONANZA 9-25-12-20

Location: 1952 FNL 0472 FWL QTR SWNW SEC 20 TWNP 090S RNG 250E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 3/19/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

require revi	sion. Following is a	checklist of son	ne items related to	o the applicat	ion, which should be veri	fied.
	ated on private land ed? 📗 Yes 🍺 N		ship changed, if s	o, has the su	face agreement been	
	any wells been drille requirements for th			well which w	ould affect the spacing o	r
	here been any unit o s proposed well?		ents put in place	that could aff	ect the permitting or ope	ratio
	there been any char the proposed locati			g ownership,	or rightof- way, which co	uld
• Has tl	he approved source	of water for dri	lling changed?	Yes 📵 N	0	
	there been any phys je in plans from wha				route which will require Yes <a> No	a
• Is boı	nding still in place, v	vhich covers thi	is proposed well?	Yes	Approved by the No Utah Division of Oil, Gas and Mining	g
Signature:	Alvin Arlian	Date:	3/19/2010			
Title:	Landman-Regulatory	Representing:	ENDURING RESOU	RCES, LLC D	ate: March 25, 2010	
					Million on I	

	STATE OF UTAH		FORM 9
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5.LEASE DESIGNATION AND SERIAL NUMBER: ML-45558
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for propos bottom-hole depth, reenter plu DRILL form for such proposals.	sals to drill new wells, significantly deepen e igged wells, or to drill horizontal laterals. Us	existing wells below current e APPLICATION FOR PERMIT TO	7.UNIT or CA AGREEMENT NAME: BONANZA
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: BONANZA 9-25-12-20
2. NAME OF OPERATOR: Enduring Resources, LLC			9. API NUMBER: 43047502590000
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500,		E NUMBER: 50-5114 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1952 FNL 0472 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWNW Section: 20	P, RANGE, MERIDIAN: Township: 09.0S Range: 25.0E Meridian: S	5	STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	☐ ACIDIZE	ALTER CASING	CASING REPAIR
✓ NOTICE OF INTENT Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	☐ CHANGE WELL NAME
3/19/2011	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	☐ TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
☐ DRILLING REPORT	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date:	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:
12 DESCRIBE PROPOSED OF CO	MPLETED OPERATIONS. Clearly show all perti	nent details including dates, denths, w	volumes etc
	n one-year extension to APD to		olumes, etc.
	,		Approved by the Utah Division of Oil, Gas and Mining
			03/07/2011
		U	ate: 03/07/2011
		В	y: Dally III
NAME (PLEASE PRINT) Alvin Arlian	PHONE NUMBER 303 350-5114	TITLE Landman-Regulatory	
SIGNATURE	303 330 311-7	DATE	
N/A		3/4/2011	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047502590000

API: 43047502590000 **Well Name:** BONANZA 9-25-12-20

Location: 1952 FNL 0472 FWL QTR SWNW SEC 20 TWNP 090S RNG 250E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 3/19/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
 Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
 Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
 Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? Yes No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? Yes No

Signature: Alvin Arlian **Date:** 3/4/2011

Title: Landman-Regulatory Representing: ENDURING RESOURCES, LLC



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA

Division Director

March 14, 2012

Al Arlian Enduring Resources, LLC 511-16th Street, Ste. 700 Denver, CO 80202

Re:

APDs Rescinded for Enduring Resources, LLC.

Uintah County

Dear Mr. Arlian:

Enclosed find the list of APDs that you requested to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective March 5, 2012.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc: Well File

Bureau of Land Management, Vernal

SITLA, Ed Bonner



43-047-50258	BONANZA 9-24-34-3
43-047-50259	BONANZA 9-25-12-20
43-047-50285	BONANZA 9-23-13-11
43-047-39153	ASPHALT WASH 11-24-23-5
43-047-39164	ASPHALT WASH 11-24-41-7
43-047-39165	ASPHALT WASH 11-24-13-5
43-047-39166	ASPHALT WASH 11-24-24-5
43-047-37868	ASPHALT WASH FED 11-23-33-12